

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

IN RE: PLUG POWER INC. SECURITIES
LITIGATION

C.A. No. 23-409 (JLH)
CONSOLIDATED

**SECOND AMENDED CLASS
ACTION COMPLAINT**

JURY TRIAL DEMANDED

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Lead Plaintiffs Guy T. Brown and Wesley C. Brown (together “Plaintiffs”), by and through their counsel, allege the following based upon personal knowledge as to themselves and their own acts, and upon information and belief as to all other matters, including the investigation of Plaintiffs’ counsel, which included, among other things, a review of Defendants’ (defined below) United States Securities and Exchange Commission (“SEC”) filings, wire and press releases published by Plug Power Inc. (“Plug” or the “Company”), analyst reports and advisories about the Company, interviews with former Plug employees and contractors, media reports concerning the Company, judicial filings and opinions, and other publicly available information. Plaintiffs believe that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION AND OVERVIEW

1. This is a federal securities class action on behalf of a class of all persons and entities who purchased or otherwise acquired Plug common stock between January 19, 2022, and March 1, 2023, inclusive (the “Class Period”), alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”), and SEC Rule 10b-5 promulgated thereunder.

2. Plug is a hydrogen energy company. Among other things, Plug manufactures, sells, and services hydrogen fuel cells, which use liquid hydrogen as fuel to create power. The Company’s revenues derive primarily from its sale of hydrogen fuel cells, related infrastructure and services, and hydrogen fuel to power vehicles used in material handling operations, such as forklifts, pallet jacks, and similar devices used in large warehouses, fulfillment centers, and related facilities by customers such as Amazon and Walmart.

3. Alongside its sales of fuel cells and related infrastructure and services, Plug enters into long term contracts with its fuel cell customers to supply them with the liquid hydrogen

necessary to operate Plug's fuel cells. These contracts have caused persistent economic losses and negative profit margins for Plug. During the Class Period, Plug's capacity to produce liquid hydrogen was extremely limited, and as a result, to satisfy its obligation to provide a steady supply of liquid hydrogen to its fuel cell customers, Plug was required to obtain expensive liquid hydrogen from third parties and then supply that hydrogen to its fuel cell customers at massive losses.

4. In an effort to reverse these negative margins and steer Plug toward profitability, since 2019 the Company has been undergoing a "vertical integration" with the goal of producing its own liquid hydrogen to supply its fuel cell customers, a process involving the manufacture and deployment of electrolyzers (which separate hydrogen from water) and the development of hydrogen liquefaction facilities (which cool and process hydrogen gas into a deliverable liquid form). In addition, Plug delivers a limited amount of hydrogen in gaseous, non-liquefied form. According to Defendants, Plug can produce liquid hydrogen at a fraction of the cost of buying it from third parties, meaning that once the Company has ramped up and developed its electrolyzer manufacturing and hydrogen production and liquefaction capabilities, the Company can end its reliance on third parties and begin supplying liquid hydrogen at a profit. Defendants have also stated that Plug's hydrogen production will improve the Company's revenues because Plug will sell some of that hydrogen to other customers and on the spot market. Thus, in addition to revenues from Plug's fuel cell business, Wall Street analysts and investors were highly focused during the Class Period on the Company's efforts to develop its production of electrolyzers and liquid hydrogen (and the positive impact this was expected to have on the Company's profit margins).

5. This action arises from Defendants' material misrepresentations and omissions in which Defendants repeatedly emphasized: (i) the significant progress Plug had purportedly already made in constructing and operating its hydrogen production facilities; (ii) Plug's 2022 goal

of producing 70 tons of green hydrogen per day; and (iii) Plug's 2022 annual revenue goal of \$900-\$925 million. Those statements, as well as reduced projections made later in the Class Period, were materially false and misleading when made.

6. As set forth herein, seventeen witnesses with direct knowledge of Plug's operations have come forward and provided facts demonstrating that these statements and others alleged below were knowingly false and misleading when made. Some of these witnesses had high-level roles within Plug. Others had more hands-on experience in Plug's facilities. Each was in a position to understand critical, undisclosed facts about Plug's core business operations during the Class Period. The evidence provided by these witnesses, together with other information, show that Defendants concealed that Plug was beset by severe and pervasive operational problems, including major delays, supply chain problems, cost overruns, and parts shortages. Defendants' public statements were thus knowingly and materially false and misleading, and the goals they stated and reiterated were knowingly unfounded, unrealistic, and unattainable.

7. Defendants failed to disclose numerous material facts with respect to Plug's hydrogen production during the Class Period, including:

(a) Each of Plug's hydrogen production plants was significantly over budget and behind schedule;

(b) Plug's senior management was specifically informed that Plug's publicly-announced hydrogen production projections were "hilariously off" and were not remotely attainable because Plug's hydrogen plants were "three years out in service";

(c) Plug was not producing enough electrolyzers to fully construct its liquid hydrogen plants; and

(d) Plug actively concealed that its hydrogen production plants were behind schedule by, for example, constructing empty frames where the electrolyzers were supposed to go, just “to show progress.”

8. Moreover, later statements by the Company make clear that Plug could not have meaningfully begun construction of a critical liquid hydrogen production plant in Georgia when Defendants publicly asserted that Plug had done so, and that gaseous hydrogen production was not “online” at Plug’s Georgia site when Defendants said it was.

9. As a result, Plug’s stated 2022 hydrogen production goals, Defendants’ statements that Plug was “on track” to meet those goals, and Defendants’ statements about the existing state of construction and operation at Plug’s Georgia site had no basis in reality and were knowingly and materially false and misleading when made.

10. Furthermore, Plug was beset by serious, undisclosed issues affecting its fuel cell and electrolyzer manufacturing operations during the Class Period, including:

(a) Plug was unable to adequately manage its supply chain, resulting in constant missing parts and manufacturing delays;

(b) Plug was unable to timely ramp up new manufacturing plants;

(c) Plug struggled to keep the fuel cells it sold to customers operating at sufficient capacity, resulting in financial penalties; and

(d) Several of Plug’s largest customers scaled-back or pushed-out their orders to later time periods after growing increasingly dissatisfied with the quality of Plug’s products.

11. As a result, Plug’s revenue forecasts announced during the Class Period were materially overstated, unrealistic, and contradicted by known material facts. Plug even internally discussed 2022 revenue numbers that were nearly 25% below Plug’s guidance to the market and

that closely matched the actual revenues that Plug later reported for 2022, but did not disclose that information for approximately six months while slowly walking down its 2022 revenue guidance in smaller increments.

12. As detailed herein, Plug's former employees have confirmed each of the undisclosed issues described above.

13. Plug's former employees have also confirmed that Plug's senior management, including Defendants, were specifically informed about these problems, including in regular meetings and reports, and during other interactions. Some employees even resigned in protest when Plug's public statements continued to contradict the reality on the ground, with an employee noting that she "was not going to jail for anybody," and indicating that executives were "bullying" her to sign off on completion dates she knew were unrealistic. Another former employee recounted that she left Plug because senior management put project managers in an "impossible situation" by ignoring the evidence those project managers presented demonstrating that the Company's goals were not attainable. Despite these warnings, Defendants continued to mislead the market.

14. The truth underlying Defendants' Class Period misstatements was gradually revealed over the course of several announcements in which Plug revised downward and then utterly failed to achieve even its reduced 2022 revenue and hydrogen production goals, and belatedly revealed that it was facing substantial challenges in ramping up its manufacturing operations. Plug's stock price declined substantially as a direct result of these corrections, causing significant damage to investors who purchased Plug common stock during the Class Period. This action seeks to redress that damage.

JURISDICTION AND VENUE

15. Plaintiffs' claims arise under Sections 10(b) and 20(a) of the Exchange Act, 15 U.S.C. §§ 78j(b) and 78t(a), and the rules and regulations promulgated thereunder, including SEC Rule 10b-5, 17 C.F.R. § 240.10b-5.

16. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. § 1331 and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

17. Venue is proper in this District under Section 27 of the Exchange Act, 15 U.S.C. § 78aa, and 28 U.S.C. § 1391(b), because Plug is incorporated in this District.

18. In connection with the acts, conduct, and other wrongs alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including the United States mails, interstate telephone communications, and the facilities of the national securities markets.

PARTIES

19. Plaintiffs, as set forth in the certifications, loss estimate, and declaration filed in support of their motion for appointment as lead plaintiff (D.I. 12-1, Exhibits B-D) and amended complaint (D.I. 46-1), and incorporated by reference herein, purchased Plug common stock at artificially inflated prices during the Class Period and suffered damages as a result of the violations of the federal securities laws alleged herein.

20. Defendant Plug is a Delaware corporation with principal executive offices at 125 Vista Boulevard, Slingerlands, New York, 12159.

21. Defendant Andrew Marsh ("Marsh") is, and at all relevant times was, the Company's Chief Executive Officer ("CEO").

22. Defendant Paul B. Middleton ("Middleton") is, and at all relevant times was, the Company's Chief Financial Officer ("CFO").

23. Defendant David Mindnich (“Mindnich”) at all relevant times was the Company’s Executive Vice President of Global Manufacturing.

24. Defendant Sanjay Shrestha (“Shrestha”) at all relevant times was the Company’s Chief Strategy Officer (“CSO”) and General Manager of Energy Solutions, and is currently the Company’s President.

25. Defendants Marsh, Middleton, Mindnich, and Shrestha are collectively referred to herein as the “Individual Defendants.”

26. The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of Plug’s reports to the SEC, press releases, and presentations to securities analysts, money and portfolio managers, and institutional investors, *i.e.*, the market. Each Individual Defendant was provided with copies of the Company’s reports alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of the Individual Defendants knew that the adverse facts specified herein had not been disclosed to, and/or were being concealed from, the public, and that the positive representations that were being made were then materially false and misleading.

27. Plug and the Individual Defendants are collectively referred to herein as “Defendants.”

SUBSTANTIVE ALLEGATIONS

A. Plug and Its Business Operations

28. Plug is a hydrogen energy company that was established in 1997 and is headquartered in Latham, New York. Plug’s common stock trades on the NASDAQ under the

ticker symbol “PLUG.” Plug’s business involves three main segments that track the process by which hydrogen fuel is produced and used.

29. First, Plug manufactures and sells proton exchange membrane (“PEM”) electrolyzers under the brand name GenFuel. Electrolyzers are devices that use energy to separate water into hydrogen, which can then be used as a fuel, and oxygen, which is a byproduct of the electrolysis process. Electrolyzer units, as well as fuel cells, are commonly referred to as “stacks.”

30. Second, Plug sells hydrogen fuel to customers, generally in liquid form. Plug largely resells hydrogen that it buys from other companies, including hydrogen produced using natural gas. Plug has also entered into arrangements to sell hydrogen produced as a byproduct of other companies’ industrial processes. In addition, Plug was attempting to develop its own liquid hydrogen capabilities, which involves running its own electrolyzers and liquefaction equipment, but as of the end of 2023, Plug had not produced any liquid hydrogen in this manner.

31. Third, Plug manufactures and sells hydrogen fuel cells, which are devices that convert hydrogen fuel into energy, with water and heat as byproducts. Like its electrolyzers, Plug’s fuel cells are based on PEM technology. Under the brand name GenDrive, Plug sells hydrogen fuel cells that are integrated into and provide the power source for material handling vehicles, such as forklifts. The Company sells these devices along with on-site hydrogen fueling infrastructure to customers such as Amazon and Walmart, which operate large warehouses. In addition, under the brand name GenSure, Plug sells fuel cells for use in stationary applications, such as backup power generation and electric vehicle recharging stations. Plug generally enters into contracts to sell hydrogen fuel to its fuel cell customers. Plug refers to its largest fuel cell customers, including Amazon and Walmart, as its “pedestal” customers.

32. Plug has explained that its “primary sources of revenue are from sales of fuel cell systems, related infrastructure and equipment, services performed on fuel cell systems and related infrastructure, Power Purchase Agreements (PPAs), and fuel delivered to customers.”

33. Hydrogen fuel cells do not emit carbon, which is a substantial environmental advantage over burning fossil fuels. Producing the hydrogen that is used in those fuel cells, however, requires energy, which traditionally relies on burning fossil fuels, primarily natural gas, to produce what is known as “gray hydrogen.” By contrast, “green hydrogen” is produced using renewable energy such as wind, solar, or hydroelectric power, and is considered to be a potential method for decarbonizing various sectors of the economy.

34. Plug’s operations include manufacturing facilities in Latham, Rochester, and Slingerlands, New York; Houston, Texas; Lafayette, Indiana; and Spokane, Washington; along with hydrogen production and logistics facilities in Charleston, Tennessee and Kingsland, Georgia. Plug has also entered into a joint venture with Olin Corporation (“Olin”) to sell hydrogen produced by Olin at a plant in St. Gabriel, Louisiana as a byproduct of an industrial process. In addition, Plug has entered into joint ventures with foreign companies to explore potential hydrogen energy opportunities outside the United States, such as a partnership called HYVIA with automaker Renault Group to potentially create hydrogen-powered commercial vehicles.

35. Throughout its existence, Plug has failed to report a single year or quarter of operating profit.

36. Historically, Plug’s revenue streams have relied heavily on selling fuel cell systems and related infrastructure. Because the Company faces significant cost-related challenges arising from its dependence on external suppliers for liquid hydrogen, Plug has recently expanded beyond fuel cells and invested heavily in electrolyzer and liquid hydrogen production. As liquid

hydrogen is typically produced using natural gas, the cost of liquid hydrogen that Plug obtains from external suppliers is closely linked to natural gas prices. Plug has been forced to purchase expensive liquid hydrogen from third parties, which it supplies to its fuel cell customers at huge losses.

37. To address its persistent losses, in 2019, Plug announced plans to vertically integrate its business by producing and liquefying hydrogen and manufacturing electrolyzers, the machines used to produce hydrogen. As part of this integration initiative, in June 2020, Plug acquired United Hydrogen Group Inc., which operated a hydrogen generation plant in Charleston, Tennessee. According to Plug, this plant was capable of producing 6.4 tons of hydrogen daily as a byproduct of an industrial process carried out by Olin.

38. Plug's vertical integration initiative also involved efforts to ramp up its manufacturing operations. In January 2021, Plug announced plans to substantially expand its manufacturing capabilities by establishing its first "gigafactory" in Rochester, New York. According to a Company press release, the 155,000 square-foot gigafactory would mark a significant expansion in the company's production and manufacturing capabilities for fuel cells and electrolyzers. In November 2021, Plug held a "grand opening" for its Rochester gigafactory.

39. Continuing its vertical integration initiative, in June 2021, Plug announced its intention to construct multiple liquid hydrogen production plants, including plants to be located in New York, Georgia, Texas, and Pennsylvania. Also in June 2021, Plug announced that its liquid hydrogen production facility in Georgia "will produce 15 tons per day of liquid green hydrogen, produced using 100% renewable energy and intended to fuel transportation applications, including material handling and fuel cell electric vehicle fleets."

40. The Georgia facility is particularly significant to the Company because it is intended to be Plug's first liquid hydrogen plant in which hydrogen is produced using Plug's own electrolyzers. According to a promotional video produced by the Company, these electrolyzers are "really the heartbeat" of Plug's Georgia facility. Plug has also stated that its Georgia plant is a "roadmap" for the Company's construction of additional liquid hydrogen production facilities.

41. The Company has repeatedly emphasized that its hydrogen production and manufacturing expansion are critical for Plug to become profitable, and securities analysts have closely followed those plans. For example, on Plug's May 9, 2022 earnings call, Marsh indicated that Plug's hydrogen production goals were important to the Company because one of his "main premises" is that "the greater the availability of green hydrogen, the greater the availability. It's a flywheel effect as my buddy Sanjay [Shrestha], always says, which will drive these apps. And to us, having that hydrogen on is critical to our success. So we're laser-focused on that." Analysts also emphasized hydrogen production's importance for Plug. For example, on January 14, 2021, an analyst at J.P. Morgan reported that Plug "is poised for very strong growth and profitability with expansion into new markets, new geographies and into the green hydrogen space," and noted that the Company "has the capital with which to scale up PEM-based technology production very rapidly, and deploy a network of hydrogen production and fueling systems, building on a first-mover advantage." Likewise, on January 27, 2021, an analyst at Simmons Energy noted that "PLUG is differentiated from fuel cell competitors through pursuing the production of green hydrogen. We believe its vertical integration strategy . . . will be instrumental in driving margin expansion in PLUG's fuel delivery segment."

42. In addition, Plug has grown by acquiring electrolyzer company Giner ELX in June 2020, liquid hydrogen transportation, storage, and distribution company Applied Cryo

Technologies in November 2021, and energy systems integration company Frames Group in December 2021.

43. Plug has also been affected by federal policy initiatives. In particular, the Inflation Reduction Act (“IRA”), which was passed by the Senate on August 7, 2022, and signed into law on August 16, 2022, created a production tax credit (“PTC”) that incentivizes green hydrogen production by providing a tax credit of up to \$3 per kilogram of green hydrogen produced. Plug asserted shortly after the IRA passed that the PTC “should further enhance Plug’s industry leadership in the green hydrogen ecosystem given its first mover advantage.” Defendant Marsh further asserted that “[w]ith the passage of the act, we expect a boom for our electrolyzer and green hydrogen business” because the PTC made green hydrogen competitive on price with gray hydrogen. But for Plug to meet that demand, the Company had to execute on constructing liquid hydrogen plants and expanding its manufacturing capabilities. As discussed below, those efforts were beset by serious, undisclosed problems.

B. Numerous Undisclosed Issues Plaguing the Company During the Class Period Rendered Defendants’ Statements to the Market Materially False and Misleading

44. Plug’s former employees have made clear that the Company faced numerous, undisclosed operational challenges during the Class Period, which made Defendants’ statements to the market (detailed below in Section C) materially false and misleading.

45. Seventeen witnesses with personal knowledge of Plug’s operations have provided detailed information about the reality of those operations, painting a picture contradicting Defendants’ false and misleading portrayal of the Company. These individuals include former high-ranking employees, such as senior members of Plug’s Project Management team, senior engineers, team leads, and managers, among others. They also include individuals with hands-on knowledge and experience, from technicians to truck drivers. All of these witnesses were well-

placed to know the facts that they reported concerning Plug's business lines, and all recognized that Plug was facing serious challenges.

46. In particular, these witnesses make clear that Plug's publicly-reported hydrogen production goals were unattainable and "hilariously off" due to significant delays, cost overruns, and project management deficiencies. Plug even resorted to constructing empty frames (with no electrolyzers inside) at its hydrogen plants in order to conceal delays and "show progress." Former Plug employees also indicated that the Company's manufacturing operations were beset by persistent delays, supply chain problems, and parts shortages. These and other challenges rendered Defendants' public statements materially false and misleading, and Plug's financial and operational forecasts unreasonable and unrealistic. Employees sounded the alarm to Plug's senior management about these serious issues, with some specifically alerting senior management that the Company's public statements did not match reality on the ground, and that Plug's purported goals were utterly unattainable. Certain Plug employees even resigned in protest over the chasm between Defendants' public statements and the reality at the Company. But Defendants did not heed those warnings and carried on misleading the market.

1. Former Plug Employees¹

47. Witness 1 was a senior member of Plug's Project Management team from December 2021 until July 2022. Witness 1 led engineering and construction for all of Plug's East Coast hydrogen production facilities (where virtually all hydrogen production was planned). Witness 1 had monthly meetings with senior members of Plug's management, including Keith Schmid, Chief Operating Officer, Brenor Brophy, VP of Project Development, Jerry Kahil, VP of Finance, Chris Ryan, Sr. Manager, Project Controls, and other senior members of the Project

¹ All witnesses are referred to using feminine pronouns to protect their anonymity.

Management team. Witness 1 left the Company due to Witness 1's disagreement with the Company's unattainable hydrogen production targets.²

48. Witness 2 was a senior member of Plug's Project Management team from April 2021 until November 2022. Witness 2's team was responsible for developing all of Plug's hydrogen production projects and traveled to all of Plug's hydrogen generation facilities under construction during Witness 2's tenure. Witness 2 managed a team of employees and interacted extensively with Defendant Shrestha, who reported to Defendant Marsh. Witness 2 left Plug in November 2022 because the Company's senior management refused to accept the information provided by the Project Management team showing that the Company's hydrogen production targets were not attainable.

49. Witness 3 worked for Plug as a Project Engineer from April 2022 until August 2022. Witness 3 worked on the Pathfinder project at the Company's plant in Kingsland, Georgia during her tenure. Witness 3 reported to the Director of Execution, who reported to the Director of Project Management. Witness 3 was responsible for identifying items that needed to be completed at the Pathfinder project in order to bring it online.

50. Witness 4 was employed by Plug as a truck driver from September 2021 until February 2022 and was based out of Plug's Charleston, Tennessee plant, which is located near Chattanooga, Tennessee. Witness 4 was responsible for transporting liquid hydrogen purchased

² As Plaintiffs informed the Court in a letter dated November 3, 2023, Witness 1 contacted Plaintiffs' counsel after the prior Amended Complaint in this action was filed and purported to recant some of her prior statements that were quoted in the prior Amended Complaint and are repeated in this Second Amended Complaint. The letter explains Plaintiffs' reasons for standing by the allegations attributed to Witness 1. Plaintiffs incorporate by reference their counsel's November 3, 2023 letter to the Court. *See* D.I. 49. On February 18, 2025, Plug's counsel wrote to Plaintiffs' counsel disputing the allegations attributed to Witness 1 in the prior Amended Complaint. Plaintiffs continue to stand by these allegations for the reasons stated in our November 3, 2023 letter to the Court.

from third party suppliers to Plug's fuel cell customers. Witness 4 reported to Junior Bloodworth, who worked with hydrogen logistics dispatching, and worked with Billy Herron, the Commissioning Manager of Energy Solutions, who was also a trainer.

51. Witness 5 was employed by Plug as a Senior Process Engineer in the Latham, New York plant from September 2021 until November 2022. Witness 5 was responsible for working on the GenDrive product, and would handle any issues involving its production, including dealing with parts shortages. Witness 5 also worked on developing Plug's plant in Slingerlands, New York. Witness 5 reported to Tony Mall, Manager of Manufacturing Process and Continuous Improvement, who reported to Chris Stump, Director of Manufacturing Operations at Latham. Witness 5 also worked with Defendant Mindnich regarding the development of the Slingerlands plant.

52. Witness 6 was employed by Plug as a Team Lead in the Latham, New York plant from December 2020 until January 2022 and as a Production Supervisor from January 2022 through September 2022. Witness 6 worked on the sub-assembly production line and handled testing of Class 2 GenDrive units. Witness 6 also worked with Class 1 GenDrive units prior to leaving the company. Witness 6 attended daily supply chain meetings with members of senior management, including Defendant Mindnich, in which supply delays were discussed.

53. Witness 7 was employed by Plug as a Senior Buyer from July 2017 until July 2022. Witness 7 was responsible for sourcing electrical and mechanical components for the GenDrive, including the fuel cells used in forklifts. Witness 7 sourced components for the Company's GenDrive production at the Latham, New York plant. Witness 7 described daily supply chain meetings where participants would discuss all purchase orders including tracking

numbers, whether the items shipped, and when the items arrived at the warehouse. Witness 7 was aware that supply chain issues were communicated to Defendant Marsh.

54. Witness 8 was employed by Plug as a Manufacturing Engineer from March 2020 through November 2022. Witness 8 described challenges at Plug to obtain needed supplies for the manufacturing process. Witness 8 stated that electrolyzers and related equipment needed for the production of hydrogen were always scarce and that the Company was always scrambling to get necessary supplies.

55. Witness 9 was employed by Plug as a Team Lead at the Latham, New York plant from September 2020 until March 2022. Witness 9 reported to the Plant Supervisor, Anthony Brown, who reported to the Plant Manager. Witness 9 managed a team of 20 employees and worked on the Class 2 GenDrive units.

56. Witness 10 was employed by Plug as an Environmental Health & Safety (“EHS”) mid-level management professional at Plug’s Rochester, New York plant from February 2021 until December 2022. The Rochester plant was being constructed to manufacture fuel cells and electrolyzer stacks. Witness 10 worked with the Plant General Manager, Dan O’Connell, who reported to Defendant Mindnich, who reported to Defendant Marsh. Witness 10 explained that the EHS group ultimately reported to Mindnich.

57. Witness 11 was employed by Plug as an Operations Controller from November 2021 until September 2022. Witness 11 worked with inventory while at Plug and her responsibilities included strengthening the Company’s controls and focusing on getting ready for the year-end inventory.

58. Witness 12 was employed by Plug as a Senior Buyer from January 2022 through October 2022, and was based out of Plug’s Rochester, New York facility. Witness 12 reported to

Commodity Manager – Metals and Metal Parts, Phil Pruna. Witness 12 purchased items and worked with engineers from other teams to help find suppliers for raw materials that were on back order. Witness 12 attended weekly meetings where leadership, and Marsh in particular, provided updates on the status of the Company's projects.

59. Witness 13 was employed by Plug as a Power System Engineer from July 2022 until February 2023. Witness 13 worked on the design of Plug's one-megawatt and five-megawatt electrolyzers. Witness 13 reported to Christa Chasney, Manager, Electrical & Controls Engineering, who in turn reported to Marsh.

60. Witness 14 worked as a Supervising Technician in the Field Service area at Plug from November 2018 until September 2022. Witness 14 worked at the site for a Plug customer, Kroger, in Compton, California, and also at the Amazon Fulfillment Center in Redlands, California. Witness 14 worked at the Kroger site prior to the start of the Class Period, and worked at the Amazon Fulfillment Center from August 2020 until she left the Company. Witness 14 led a team of two technicians, and was responsible for maintaining and servicing Plug's fuel cells and liquid hydrogen storage facilities at the two locations where she worked. Witness 14 reported to Kurt Matthews, West Region Service Manager, who reported to Chris Soriano, Services Director, who reported to Tim Terrell, Vice President of Service, who in turn reported to Marsh.

61. Witness 15 was a Hydrogen Fuel Cell Technician for Plug from 2013 until March 2022. In her role, Witness 15 was responsible for servicing fuel cells and fueling systems for Plug products at Walmart facilities.

62. Witness 16 was employed by Plug as a Reliability Engineer from June 2021 until February 2022. Witness 16 was part of Plug's Reliability Team within the Company's Power

Generation Division. Witness 16's responsibilities included traveling to customer locations where there were issues with Plug products.

63. Witness 17 was a Principal Engineer at Plug's Rochester, New York plant (which Witness 17 referred to as the Henrietta plant, reflecting its location in Henrietta, New York, a suburb of Rochester) from July 2022 until January 2023. Witness 17 worked in the Coating Group, which dealt with membrane liners for parts used in Plug's fuel cells and electrolyzers. Witness 17 reported up through Tim Moser, who reported to the Director of Operations of the Rochester facility, Jeremy Maichuk, who reported to the General Manager of the site, Dan O'Connell.

2. Plug's Green Hydrogen Plants Were Years Away from Producing Commercial Quantities of Liquid Hydrogen, Rendering Plug's Hydrogen Production Targets Unattainable

64. Throughout the Class Period, Defendants repeatedly touted Plug's construction of green hydrogen plants. Defendants claimed that these plants would allow Plug to achieve its target of producing 70 tons of hydrogen per day by the end of 2022 (a goal later reduced to 50 or 45-50 tons per day), and ultimately end the Company's unprofitable reliance on third party suppliers to satisfy its customers' demand for hydrogen fuel. In truth, Plug's hydrogen plants produced virtually no liquid hydrogen in 2022, and each of its plants was years away from producing commercial quantities of hydrogen. As a result, Plug was forced to employ a team of truckers to transport liquid hydrogen purchased from third party suppliers to its customers' facilities. Multiple witnesses with firsthand knowledge of the design, construction, and operation of Plug's hydrogen plants confirmed that each plant under construction during the Class Period was severely behind schedule and over budget. These witnesses also confirmed that the Company's senior management, including Defendant Shrestha (who reported directly to Defendant Marsh), knew or had access to information showing that Plug's projections for

hydrogen production were unattainable. Rather than admit that the Company would not achieve its stated production goals, Defendants sought to conceal the true state of affairs from investors, leading several employees to leave the Company over their objections to Plug's public affirmation of its unattainable targets.

a. At the Start of the Class Period, Plug Urgently Needed a Cost-Effective Source of Hydrogen Fuel

65. Witness 2, whose team oversaw all of Plug's hydrogen production facilities that were under development between mid-2021 and late fall 2022, explained that sales of hydrogen fuel cells and hydrogen fuel were the Company's main source of revenue during her tenure. Witness 2 stated that customers such as Amazon, Home Depot, and Walmart used forklifts and other material handling equipment that ran on hydrogen fuel cells. Witness 2 explained that these fuel cells were sought after by Plug's customers because they could be refilled in a matter of minutes (similar to refilling a vehicle with gasoline), whereas electric batteries need hours to charge. Witness 2 stated that Plug also supplied its customers with hydrogen fuel in addition to fuel cells, but that the Company was losing money buying hydrogen from third parties and reselling it to its fuel cell customers. According to Witness 2, this led Plug to attempt to produce liquid hydrogen fuel itself, which required Plug to construct electrolysis plants where it used electricity to separate hydrogen from water, liquefaction facilities where it liquefied the hydrogen at extremely low temperatures, and transportation equipment it could use to transport the liquefied hydrogen. Witness 2's team was responsible for overseeing the construction of Plug's hydrogen generation facilities.

66. Witness 4 corroborated Witness 2's account concerning Plug's need for a cheaper and more abundant source of hydrogen fuel during the Class Period. Witness 4 worked as a driver for Plug, based out of the Company's Charleston, Tennessee facility (which she referred

to as the Chattanooga facility) from late 2021 until early 2022. Witness 4 explained that the Tennessee plant was the Company's only plant actually producing hydrogen during her tenure, but that the facility produced only hydrogen gas. Witness 4 explained that the Chattanooga facility did not utilize electrolyzers to separate hydrogen from water, and was instead extracting hydrogen from waste gas produced by a plant located next to Plug's Chattanooga plant. Witness 4 stated that during her employment, neither the Chattanooga plant, nor any other Plug plant, actually produced liquid hydrogen, and that Plug instead purchased hydrogen from companies such as Linde, PraxAir (which was folded into Linde after a merger), and Air Products. Witness 4 explained that her dispatcher told her that these third-party companies helped Plug meet its customers' demands, but that the Company was "going broke" by using them.

67. Witness 4 stated that during her tenure, Plug never pulled a liquid hydrogen load out of the Chattanooga plant. Witness 4 visited the Chattanooga plant twice a week. Witness 4 stated that she would drive to Las Vegas, Nevada or La Port, Texas and would pick up liquid hydrogen and then transport it to customers such as Amazon and Walmart. She stated that these customers would use the hydrogen fuel to power forklifts and pallet jacks. Witness 4 noted that Plug was subject to fines and penalties from customers such as Amazon, Walmart and Honda if they delivered hydrogen late, which led to a lot of pressure on drivers to get to these locations. Witness 4 stated that drivers would use high pressure trailers to deliver fuel to customer facilities in St. Louis, Missouri and Denver, Colorado because the Plug electrolyzers at those two plants did not work. Witness 4 explained that Plug was unable to get parts for the electrolyzers and therefore could not get them running properly. Witness 4 stated that on one route, drivers would load liquid hydrogen, haul it to Cocoa Beach, Florida, and then repeat the process within 24 hours. She explained that each truck from Chattanooga would haul liquid hydrogen twice a week at 15,000

gallons per truck. Witness 4 stated that the Chattanooga-based drivers hauled about 300,000 gallons of liquid hydrogen per week.

68. Witness 4 stated that Plug did not intend to be in the trucking industry long term but that the Company was many years away from eliminating the need for trucking liquid hydrogen due to the growth in demand from customers such as Amazon and Walmart. In the meantime, Witness 4 explained that Plug was losing money by selling liquid hydrogen to customers. Witness 4 stated that Plug was purchasing liquid hydrogen from Air Products at \$5 to \$6 per gallon, and was paying truckers \$150,000 to \$175,000 per year to transport the liquid hydrogen.

69. Witness 14 confirmed that during the Class Period, Plug was losing hundreds of thousands of dollars per day supplying the Company's customers with hydrogen fuel in the West Region alone. Witness 14 was a Supervising Technician in the Field Service area who worked at Plug customer sites. Prior to the Class Period, Witness 14 worked on site for a Plug customer, Kroger, in Compton, California, and from before the Class Period until September 2022, Witness 14 worked on site at an Amazon facility in Redlands, California. Both sites were in Plug's West Region, which Witness 14 explained accounted for approximately 25% of the Company's revenue. In addition to the customer sites in Redlands and Compton, California, the West Region also included sites in Riverside, Victorville, Kohls, and San Leandro, California, and a Proctor & Gamble facility. According to Witness 14, Plug's biggest customer was Amazon.

70. Witness 14 stated that the Amazon site in Redlands had approximately 200 fuel cell batteries, while the Kroger site in Compton had slightly more because that facility used high-powered equipment. She explained that Plug owned and operated the hydrogen fuel storage equipment at that Amazon site, whereas the hydrogen storage infrastructure at the Kroger site was owned by Airgas. Witness 14 noted that these storage facilities often had many leaks.

71. While Plug provided the liquid hydrogen fuel for the Amazon and Kroger sites, Witness 14 explained that Plug actually purchased the hydrogen from PraxAir and Airgas, then resold it to Amazon and Kroger. Witness 14 noted that the Company generally lost money on these transactions, depending on the maintenance of the liquid hydrogen storage facilities at the sites. Witness 14 estimated that Plug's resale losses were approximately \$100,000 per day for each of the two sites at which she worked. Witness 14 stated that, during her tenure, each of the locations in Plug's West Region was losing money due to the high cost of supplying hydrogen fuel to Plug's customers.

b. Plug's Hydrogen Plants Suffered from Extensive Delays and Cost Overruns

72. Multiple former employees who oversaw the construction of Plug's hydrogen generation plants in 2021 and 2022 explained that Plug's ambitious goal of producing 70 tons of green hydrogen fuel per day by the end of 2022, along with its reduced goal of producing 50 tons per day, were unattainable. Witness 2's team oversaw all of Plug's hydrogen production facilities that were under development during her tenure. During the first half of 2022, Witness 1 led engineering and construction for all of Plug's East Coast hydrogen production facilities (where virtually all hydrogen production was planned). Witness 3 was employed as a Project Engineer in mid-2022 and worked exclusively on Plug's Pathfinder project. Witness 2 explained that Pathfinder was the initial electrolyzer unit located at the Kingsland, Georgia plant (also known as the Peachtree site) and was intended to be a test unit for the other locations. These witnesses all described how, throughout this period, Plug suffered from poor project management, a lack of expertise and experience constructing hydrogen generation plants, and delays in obtaining necessary parts. As a result, Plug's hydrogen plants were significantly behind schedule during 2022, and Plug's 50-70 ton per day production goal was baseless and unattainable.

73. Witness 2's team was responsible for the development of all of Plug's hydrogen generation projects and frequently traveled to each of the facilities that were under construction during her tenure. During her first year employed by Plug, Witness 2 spent over 100 nights in hotels while visiting Plug plants. Witness 2's team was comprised of approximately 19 people and Witness 2 interacted extensively with Defendant Shrestha, Plug's General Manager, Energy Solutions & CSO, who reported to Defendant Marsh, Plug's CEO. Witness 2 noted that she also had some interaction with Defendant Middleton, Plug's CFO.

74. Witness 2 explained that Plug understated the supply chain issues associated with the COVID-19 pandemic, and did not have experience building the systems the Company was trying to create. Witness 2 stated that during her tenure, all of Plug's hydrogen fuel generation plants were behind schedule and over budget. Witness 2 reported that many projects were delayed by more than a year and each project was, on average, approximately 30-70% over budget at any given time. Witness 2 explained that Plug was attempting to do something that had never been done before and that the Company lacked project management expertise to keep its projects on schedule and within budget. Witness 2 stated that Plug lacked a formalized process for constructing its facilities, and as a result, Plug constantly changed its plans, which resulted in added costs and time to its projects. Witness 2 explained that Plug did not negotiate a "lump sum turnkey price" with contractors, which would have enabled the Company to maintain fixed budgets and fixed timetables. For example, rather than negotiating a single upfront price for the 27 cooling towers required for the four hydrogen plants Plug was constructing during Witness 2's tenure, Witness 2 recalled that Plug purchased the cooling towers piecemeal as the projects were developed, resulting in significant additional costs.

75. Witness 2 also explained that Plug's executives had an unrealistic expectation that they could achieve favorable pricing and discounts from suppliers, but that Plug lacked the "procurement horsepower" to achieve such results. Witness 2 provided the example that a 5% discount may have been achievable, but Plug was expecting a discount of 30-40% on certain components in order to keep its projects within budget, which was neither reasonable nor realistic. Witness 2 provided another example in which Chris Ryan, who worked in Project Controls and was responsible for cost controls, provided detailed budgets for Project Managers to use as evidence to make their cases to Plug senior management about project status. Specifically, Witness 2 gave the example that, when Ryan's budget indicated Plug could get three pieces of equipment for \$800,000, senior management responded that "we'll get them for \$700,000" without providing evidence in support. Witness 2 also noted that Plug executives prevented her and her team from purchasing components "at scale," thus increasing the costs of construction. Witness 2 further explained that she could not buy necessary equipment without sign off from Vice Presidents two levels above her, resulting in delays as suppliers would move on to other buyers by the time Plug was ready to agree to purchase.

76. Plug's senior management unrealistically assumed that production schedules could be accelerated. Witness 2 noted that Project Managers put together accurate timelines and were certain about their projections. Witness 2 stated that when Project Managers would review schedules with senior management, senior management would respond that they could make it faster and "take less time," despite the fact that there was no basis for believing that the schedule could be accelerated. Witness 2 explained that the schedules presented by Project Managers reflected the "absolute shortest path" and that even two days of rain would render a schedule

unattainable. Witness 2 stated that management had a lack of understanding and did not accept “no, that is impossible” as a response, even when presented with evidence.

77. Additionally, Witness 2 explained that the lack of qualified employees at Plug was another obstacle that led Witness 2 and her team to do “double and triple duty” to manage the construction of Plug’s plants. As an example, Witness 2 explained that she needed to obtain sign off from the CEO in order to hire anyone for a salary exceeding \$90,000 per year.

78. Witness 2 recalled that Plug could not obtain the electrolyzers it needed to generate hydrogen, and so Plug acquired a company that manufactured electrolyzers with the goal of making the components in-house. However, Witness 2 stated that this acquisition did not keep the plants on schedule. Witness 2 stated that she participated in weekly conversations from the beginning of her tenure until September 2022 regarding the status of electrolysis equipment manufacturing. Witness 2 stated that even though management discouraged conversations between those manufacturing electrolyzers and those installing them, it was evident that there was not enough electrolyzer equipment to supply Plug’s plants in New York and Georgia and that without this equipment, it was impossible for Plug to meet its hydrogen production targets. Witness 2 noted that the Kingsland, Georgia plant, also known as Peachtree, which was initially scheduled to be ready by Thanksgiving 2021, had not received its first electrolyzer by February 2022, and was still not operational as of June 2023. Witness 2 stated that this plant was approximately two years behind schedule and approximately 60% over budget when she left the Company in November 2022. At that time, Witness 2 noted that the plant had only one functioning electrolyzer and did not have sufficient capacity to cool and liquefy the hydrogen produced. Witness 2 stated that, even as of September 2023, the one electrolyzer at the Kingsland plant was

still not reliably producing hydrogen at capacity. Witness 2 believed Plug would be lucky if the Kingsland plant could produce liquid hydrogen by January 1, 2024.

79. Witness 2 stated that during her tenure at Plug, each of the four hydrogen generation facilities under construction was suffering from delays and cost overruns. Witness 2 noted that this had a significant negative impact on the Company's profitability and its projected revenue. Witness 2 further stated Plug's customer contracts included liquidated damages provisions and that extended construction delays created additional financial risk for the Company. Witness 2 identified Amazon as one of the customers with a liquidated damages provision in its contract with Plug.

80. Witness 3 confirmed the accounts of Witness 1 and Witness 2. Witness 3 was hired to assist in getting the Kingsland, Georgia plant on line. Witness 3 recalled that during her tenure, there was a "fog" over the project, the plant suffered from a lack of leadership structure, there was no direct line of decision-making, and there were no proper approval processes at the plant. Witness 14 similarly explained that she was aware that Plug was trying to produce its own hydrogen fuel to supply its customers and that during 2022 it was constructing plants in Tennessee, Texas, Georgia and Fresno, California; she noted, however, that construction was delayed. Witness 2 explained that, at the time she left Plug in November 2022, only "dirt work" and some preliminary engineering work was occurring at the Texas site. Witness 2 further stated that the Fresno, California site was a joint venture with Linde which was entered into to maintain Plug's relationship with Linde. She stated that it was always an "iffy" project and was not producing liquid hydrogen. Witness 2 further explained that Plug planned to build a plant in San Gabriel, Louisiana modeled on the Chattanooga, Tennessee plant. As with Plug's other projects, Witness 2

stated that the Project Group knew that the proposed schedule for the San Gabriel plant was impossible to meet.

81. Witness 2 also recalled that Plug's hydrogen production facility in New York (located in Alabama, New York) was behind schedule and would not hit its production targets. Witness 2 explained that the New York plant had two planned phases. In the first phase, the plan was for three units to produce 15 tons of hydrogen per unit per day. In the second phase, two additional units would produce 15 tons of hydrogen per unit per day. Witness 2 explained, however, that there were extensive restraints on the development of that project because of the power needed for its operation. Witness 2 noted that everyone knew power would not be delivered to the site until November 2024. She explained that, as a result, hydrogen production at the New York site was impossible before that time.

82. Witness 2 explained that when she left Plug in November 2022, no liquid hydrogen had been produced from electrolysis at any of Plug's facilities and that the only plant producing liquid hydrogen was the Chattanooga plant. Witness 2 explained that the Chattanooga facility was an existing United Hydrogen facility that Plug purchased. Witness 2 explained that the Chattanooga plant utilized a byproduct of a process involving sodium hypochlorite (bleach) in order to produce hydrogen. Witness 2 explained that the Chattanooga plant was producing 10 tons of hydrogen per day until reliability issues and operator error resulted in an explosion in the machine responsible for liquefaction. Witness 2 stated that as a result of the delays and setbacks facing Plug's existing hydrogen production and the development of new facilities, the Company was producing less hydrogen in November 2022 than it was in 2020.

83. Witness 13, who was involved in the design of Plug's one-megawatt and five-megawatt electrolyzers, confirmed Witness 2's account. During Witness 13's tenure at Plug,

which ended in February 2023, Witness 13 interacted with employees working on Plug's Peachtree plant located in Georgia. Witness 13 stated that, based on her knowledge of Plug's electrolyzer systems, at no point during her tenure did Plug ever produce any liquid hydrogen using its electrolyzers.

**c. Members of Plug's Senior Management Were Informed
that the Company's Hydrogen Production Targets
Were Unattainable**

84. Witness 1 expressly told Plug's senior management that their projections for hydrogen production were "hilariously off" and that the facilities they were constructing were "three years out in service" (in other words, that they would not be in service for three years). Witness 1 had monthly meetings with various members of management, including Keith Schmid, COO, Brenor Brophy, VP of Project Development, Jerry Kahil, VP, Finance, and Chris Ryan, Sr. Manager, Project Controls, as well as a member of the Project Management team. Witness 1 stated that during these monthly meetings, she made it known to senior management that Plug's projections for hydrogen production were unattainable and "hilariously off." Witness 1 realized that there were issues with Plug's projections, and that those projections were "way off," by May or at the latest June 2022. Witness 1 explained that, notwithstanding Plug's projections of 70 or 50 tons of hydrogen production, its realistic production of hydrogen was more like two tons. Witness 1 also stated that she told Defendant Marsh, along with Kahil, Brophy, and Ryan, that Plug's hydrogen plants were "three years out in service," but that the Company nevertheless reported that the hydrogen production plants would be in service "next year."

85. Witness 2 corroborated Witness 1's account, confirming that the fact that the hydrogen production targets that Plug published were not realistic was communicated to Plug senior management, including Defendant Shrestha. Witness 2 said that senior management knew by June or July of 2022 that their published hydrogen production targets were impossible to meet.

Witness 2 stated that the Project Group and Engineering did not believe there was any possibility of meeting the stated production goals, and that there were too many components necessary to achieve Plug's production targets on the timeline announced by the Company. Witness 2 said it was acknowledged internally within Plug that the targets were not attainable, and that a realistic schedule was discussed internally. Witness 2 said that the Project Group spoke to Defendant Shrestha about the fact that the targets were not attainable. Witness 2 could not recall the specific timing of the production target announced by the Company, but made clear that no amount of liquid hydrogen production was possible by the end of 2022 based on the actual state of Plug's hydrogen production facilities in 2022. Witness 2 said she knew of no information available to Plug management, and never gave any information to Plug management, which could have supported Plug's stated hydrogen production target of 70 tons per day.

86. Witness 3 corroborated these accounts. Witness 3 recalled that when she was hired, Plug was projecting that the Pathfinder project would be operational by the end of May 2022. However, Witness 3 stated that there was a "strong awareness" by all employees that the May 2022 completion date was unachievable. Witness 3 explained that Plug tracked its hydrogen production build-out deficiencies in real time. In connection with her work, Witness 3 created and maintained a Master Deficiency List ("MDL") for the Pathfinder project, identifying items that needed to be completed in order to bring the project online. Witness 3 stated that the MDL tracked delays in completing project milestones as well as supply chain delays of parts needed to complete the project. Witness 3 granted everyone at the Pathfinder site access to the MDL via a Google Drive. Witness 3 explained that multiple engineers, in addition to members of the Project Management team, had the ability to edit the MDL. In addition, Witness 3 had weekly meetings with Plug personnel to discuss the MDL. Witness 3 stated that the MDL was constantly updated

and used to track the estimated time of completion of specific items, in addition to being used as a general tracker to meet deadlines, which “everyone knew were in danger” of not being met. Witness 3 stated that the MDL clearly indicated that the May 2022 completion date was not going to be met and that the deadlines to begin operating the plant were “unrealistic.” As an example, Witness 3 recalled that one item tracked by the MDL concerned the installation of improperly rated pipes for the electrolyzer. Witness 3 explained that in or around mid-May 2022, the Company was informed that the wrong pipes had been installed at Pathfinder, leading to a delay.

87. Witness 2 confirmed that the MDL was used in an attempt to bring the Kingsland plant on-line and reflected that the plant was way behind schedule. Witness 2 stated that the VP of Project Development, Alan Sharkey, had access to the MDL and would have known right away after starting at Plug in mid-September 2022 that the project was behind schedule.

d. During the Class Period, Plug Concealed the True State of Its Hydrogen Plants

88. Multiple former Plug employees with knowledge of the construction of Plug’s hydrogen plants during the Class Period confirmed that the Company sought to conceal its lack of progress and failure to keep its projects on schedule. Witness 1 stated that Plug spent a lot of time “covering their tracks.” Witness 2 similarly stated that Plug could not obtain the electrolyzers needed for the hydrogen plants under development due to extended delivery times, and so the Company designed the plants so that electrolyzers could be added later, constructing empty frames (with no electrolyzers inside) “to show progress.” Witness 2 explained that the Company did this because the plants were so behind schedule.

89. Similarly, Witness 3 recalled that Plug announced that the Kingsland, Georgia plant was operational, even though the plant had only produced “one molecule” of hydrogen. Witness 3 explained that in August 2022 or later she spoke with a mechanical inspector at the

Pathfinder facility at the Kingsland plant. Witness 3 stated that the mechanical inspector informed her that the Company had turned on the electrolyzer and a transformer that powered the plant, and that the readings on the transformer's display panel changed numbers. Witness 3 stated that the mechanical inspector explained that the Company immediately shut off the power and concluded from this change on the display panel that hydrogen had been produced. Witness 3 stated that the mechanical inspector told her that based on this event, Plug deemed the Pathfinder project to be "in service." However, Plug had not measured any amount of hydrogen actually produced, and did not fill up a truck with hydrogen. Witness 3 clarified that she did not know whether the information relayed to her by the mechanical inspector served as the basis for the Company's public announcement that the Pathfinder project was "online" or "in service." She further stated that she was unaware whether Plug did anything else between the time of the event described by the mechanical inspector and Plug's announcement that the plant was online. Witness 3 added that in another conversation with the mechanical inspector in late fall 2022, the mechanical inspector stated that Plug had used trucks to deliver hydrogen to Pathfinder, which Witness 3 described as a display of showmanship to get good headlines because Pathfinder was supposed to be completed by then.

90. Witness 2 corroborated Witness 3's account. Witness 2 stated that she was aware of a situation where the equipment at Pathfinder was turned on and off, that the display changed, and that Plug concluded from this test that hydrogen was produced. She said the test unit was a five-megawatt system with five stacks, each of which was set up to consume one megawatt. Witness 2 explained that the idea was to run the system for weeks or months to get to the "sweet spot" for the production of hydrogen. Witness 2 stated that the stacks did not arrive at the site until April 2021, but they were not complete, as the Project Logic Controller programming was not

written and was not done, and that the factory acceptance tests were not done in the factory. Witness 2 said that at least two stacks had to be replaced, and that there was later a fire that led to all five stacks being replaced.

e. Multiple Plug Employees Rejected the Company's Unreasonable Hydrogen Production Targets and Resigned in Protest

91. Multiple former Plug employees recounted how they terminated their employment with Plug due to the Company's unreasonable public projections and unwillingness to revise those projections based on the reality on the ground. Witness 2 recalled that there were frequent disagreements in which Witness 2 and other project managers pushed back against Plug's senior management. Witness 2 explained that senior managers, including Defendant Shrestha, did not listen to project managers when they expressed concerns about the plants' cost overruns and delays. Witness 2 recalled that in one incident, Plug planned to publish a press release stating that it would meet its 70 ton per day production target. Witness 2 explained that one member of the Project Management team—namely, Witness 1—strongly disagreed with this announcement and told Witness 2 that the employee “was not going to jail for anybody.” That employee then left Plug because of their disagreements with the Company's public statements. Witness 2 explained that Witness 1 had given Plug's senior management the most realistic schedule regarding the Company's hydrogen production targets, which did not support 70 tons per day of hydrogen by the end of 2022, but Defendants Shrestha and Marsh still went out the next day and said publicly that Plug would meet its targets.

92. Witness 3 similarly recalled a member of the Project Management team—namely, Witness 1—informing Witness 3 that the employee was leaving the Company because executives were “bullying” the employee to sign off on completion dates that the employee knew

were unrealistic. Witness 1 likewise stated that she left the Company in mid-2022 because she “refused to let this all fall on [her].”

93. Witness 2 left Plug in late 2022 because she felt that senior management was putting her and other project managers in an “impossible situation,” and felt that senior management would ultimately try to pin the cost overruns and delays on her and her team. Witness 2 stated that Plug should have disclosed the issues it was facing and “taken a hit” when it became clear its projects were behind schedule and over budget, instead of continuing to make promises that the Company could not deliver on. Witness 2 explained that the “impossible situation” she was placed in was that she and others were presenting senior management with evidence that their targets were not attainable and senior management was not accepting it. Witness 2 stated that she left Plug because senior management was not listening to Project Management. Witness 2 said there was “no chance in hell” that Plug would meet the targets and that the numbers did not add up. Witness 2 said that Brenor Brophy, Plug’s VP of Project Development, understood what Project Management was saying, but Brophy had to follow senior management’s line.

3. Plug’s Manufacturing Plants Struggled to Support Defendants’ Aggressive Revenue Targets, and Plug Suffered from Delays in the Opening of New Facilities

94. Leading up to and during the Class Period, shortages of parts, delays, and inventory challenges at the Company’s manufacturing facilities had a significant negative impact on the Company’s ability to produce its principal products. Moreover, supply chain problems and other issues plagued the Company’s efforts to develop new manufacturing facilities, which were critical to meeting the increased demand for Plug’s products. Despite Defendants’ assurances to investors, the Company was unable to effectively manage widespread supply chain disruptions during and after the COVID-19 pandemic with respect to the development of new facilities and

the production of electrolyzers and other products. As set forth below, multiple former employees confirm that, contrary to the Company's unrealistic public projections and statements concerning the supposed progress of its manufacturing ramp-up, Plug's management was aware of shortages, production delays and resulting "push outs" of customer orders. These issues rendered Plug's 2022 annual revenue goal of \$900-925 million unachievable.

a. Plug's Rapid Growth During the COVID-19 Pandemic Led to Severe Supply Chain Disruptions at the Company

95. Plug's supply chain issues coincided with the start of the COVID-19 pandemic and were exacerbated by the Company's aggressive growth strategy. Former employees describe how, during the pandemic, Plug grew rapidly and was unable to maintain an adequate supply of parts and equipment. Witness 7 reported that issues regarding the inability to source components from suppliers began at the start of the COVID-19 pandemic, when Plug went from sourcing for millions of dollars in sales to sourcing for almost one billion dollars in sales. Witness 7 recalled that there was a 25% increase to Plug's sales forecast around 2020-2021. She noted that Plug's suppliers could not support this growth and that it was known within the Company that it would be impossible to stretch the Company's supply base to meet this increase. Witness 7 stated that the Company's buyers were unable to source products to meet Plug's rapid expansion. Moreover, Plug had cash flow issues at this time that prevented it from obtaining credit terms from suppliers. Witness 15 similarly reported that Plug grew too big, too fast and that it never had any replacement parts for its equipment. Witness 2 likewise explained that Plug understated the supply chain issues associated with the COVID-19 pandemic.

96. During the COVID-19 pandemic, Plug's supply chain issues intensified due to the increased lead times for components. For example, Witness 7 explained that the lead time for a necessary fan component went from roughly 30 weeks to over 50 weeks. Witness 7 likewise

reported that in October 2021, Plug was placing orders for a component with one supplier with a lead time of five weeks that was subsequently extended to 28 weeks.

97. Multiple former employees explained that these supply chain issues continued into 2022. Witness 7 stated that the problems with sourcing increased during her tenure, which began in 2017, and were increasingly problematic in 2022. Witness 5 described that during most of her tenure (September 2021 until November 2022) but no later than late spring/early summer 2022, the Company suffered from constant shortages. Witness 5 explained that there was predominantly a shortage of electronic boards for the GenDrive, but that there were shortages of other parts as well. Witness 5 stated that the supply chain issues at the Latham facility were discussed on daily calls that were attended by Defendant Mindnich. Witness 7 also explained that her manager tracked supply shortages and that there was a shared file that tracked delays and shortages of components. She also described daily supply chain meetings where participants would discuss all purchase orders including tracking numbers, whether the items shipped, and when the items arrived at the warehouse. Witness 7 explained that the majority of shortages concerned Plug's GenDrive products (which were its primary revenue source). Witness 7 further stated that knowledge regarding the Company's supply chain issues extended from her manager through the Commodity Managers, to the Global Sourcing Managers and eventually up to the CEO and CFO. Witness 9 confirmed that there were daily meetings with plant management to discuss missing parts at the Latham facility.

98. Witness 5 also described daily meetings with Plug's Manufacturing Operations Group ("MOG") in which supply chain issues were discussed. She stated that missing parts and delays to customer orders were discussed at the daily MOG meeting, which occurred at 7:30 AM

each day. Witness 5 further stated that Defendant Mindnich would lead the MOG meetings and that Brandon Snyder, Head of Supply Chain, Warehousing and Logistics, would also attend.

99. Witness 8 similarly explained that it was common knowledge within the Company that there were challenges in obtaining needed supplies for the manufacturing process. For example, Witness 8 stated that electrolyzers and related equipment needed for Plug's products were always scarce because of the limited supply chain for these products, and that the Company was always scrambling to get necessary parts.

b. Plug's Manufacturing Plants Were Plagued by Parts Shortages

100. Multiple former employees confirm that Plug's inability to manage its supply chain led to missing parts at production facilities. These shortages led to incomplete units either being sent to warehouses or shipped to customers. In addition, multiple former employees confirm that Plug was forced to use makeshift components, re-purpose parts from older units, or shut down production lines completely. Witness 5 explained that electronic components for the GenDrive were the most common component missing from the units being constructed at the Latham plant, and she estimated that approximately one-third of orders had some component missing. Witness 6 similarly stated that during a typical shift on the production line, she would make and test approximately 30 units that would have missing components. Witness 6 noted that approximately 35% of the products in her facility had issues such as wrong, broken or unavailable parts. Witness 6 explained that the unavailability of parts meant that her team was unable to complete certain orders and had to move to orders for different customers. Witness 9 explained that during her 18 months at the Latham plant, her team was without parts on a daily basis and at times the lines and even the entire plant were shut down due to missing parts. She noted that missing a small

part such as a screw could shut down the production lines. Witness 11 confirmed that production would shut down due to missing parts.

101. The manufacturing issues impacting Plug during the Class Period were so severe that the Company resorted to shipping incomplete products to customers in an effort to book revenue. Several former employees witnessed Plug's practice of shipping incomplete units to customers. Witness 7 explained that products with missing components were shipped to customers with the expectation that missing parts would be installed after delivery. Witness 5 also recalled that some unfinished GenDrive units would be delivered to customers. Specifically, Witness 5 noted that a series of GenDrive units were shipped to customers without a data logger, a component predominantly used by Plug's service group that stored the unit's data. Witness 5 stated that she believed that Plug would book revenue on unfinished units that were sent to customers, but would remove the component from the bill of materials. Witness 5 explained that those units would be marked as complete prior to shipping even though they were missing a specific component.

102. Multiple witnesses also explained that many units with missing components were warehoused until parts became available, resulting in a shortage of manufacturing space. Witness 5 stated that almost a third of the Latham plant was used as a staging area for units with missing parts and that employees would place "magnetic hats" on units as a way to mark that those units were missing components. Witness 5 explained that as a result of the capacity issues at the Latham plant caused by storing unfinished units, Plug resorted to storing unfinished products with a warehousing company, Stone Management ("Stone"). She also noted that it was a fairly common practice to store unfinished units at Stone's warehouse. Stone is located five miles north of Albany, New York and offers short and long-term storage solutions at its 800,000 square foot facility. Witness 6 confirmed that units with missing components were shipped to Plug's warehouse. She

explained that once the missing components were available, the units would be shipped back to Plug's facility in Latham to be repaired and retested. Witness 6 noted, however, that after three months in storage certain components in battery stacks had to be retested, and so the Company was often retesting units due to the unavailability of parts.

103. Witness 5 recalled that the lack of warehousing space at the Latham plant was discussed at the daily MOG meetings, because it led to a shortage of carts used to assemble the GenDrive units during production. Witness 5 explained that management directed employees to place unfinished products on pallets so the manufacturing team could use the carts to build the GenDrive units.

104. Witness 5 further explained that when parts were missing, Plug would sometimes alter older versions of components to meet new specifications. She explained that this would involve taking older versions and drilling holes, touching up areas, and repainting. Witness 6 stated that the Company was unable to obtain tank high pressure valves and that she attempted to repair and recycle high pressure valves on older units. Witness 6 also described a situation where Plug was missing an "L" bracket for an Amazon order. Witness 6 explained that the "L" bracket was a very simple piece to make and could have been produced in-house. She further noted that her team would use makeshift products when possible. As another example, Witness 6 stated that orders for red tubing involved a three-to-four-month delay.

105. Witness 9 likewise stated that she and her team had issues finding heat hoses that were needed for the units they were working on and that she and her manager called every vendor they knew in an attempt to locate the part. Witness 16 stated that silicon tubing was always in short supply and would interrupt the manufacturing process when it was unavailable. Witness 16 also stated that slow production resulted in some customers not receiving their products on time

because Plug did not have the necessary inventory on hand. She also stated that Plug struggled with defective products supplied by third parties. For example, Witness 16 explained that carbon fiber tanks supplied by third parties would sometimes fail and cause fires. Witness 17 stated that there was a shortage of coated parts and that the Company was attempting to produce these parts in-house. She explained that Plug contracted with subcontractors to supply the coated parts but that the demand was too high for the subcontractors to handle Plug's needs.

106. Multiple former employees discussed how Plug went to great lengths and expended significant resources to retrieve components from suppliers to mitigate their supply chain problems. Witness 9 attributed Plug's supply chain issues to parts from overseas being stuck on container ships or sitting in customs, and also to suppliers lacking the materials to develop the parts Plug needed for its units. Similarly, Witness 4 stated that Plug struggled to make electrolyzers because parts were sitting in barges off the coast of Florida. She explained that the Company would send drivers down to Florida to wait for the parts to be unloaded. Witness 7 described how Plug would retrieve and hand carry components for its GenDrive fuel cells when they were completed rather than waiting for bulk orders to be finished. Witness 7 explained that the Company was paying millions of dollars in air freight charges to retrieve the finished components from suppliers and that Plug bore these additional costs in order to avoid refusing customer's orders. Witness 7 was told that Plug was not making money due in part to these air freight charges.

107. The supply chain delays and shortages impacting Plug during the Class Period were compounded by the fact that the Company had a fragile supply chain infrastructure and poor inventory controls. Witness 7 explained that most components for Plug products were single-sourced. For example, Witness 7 stated that there was only one approved fan for the GenDrive

and only one supplier could produce it. Witness 5 explained that, although Plug's supply chain issues were downplayed at the plant by some employees, she and others with experience at other companies stated that "no, this is not how it works."

108. Witness 11 explained that Plug had a material weakness in inventory due in part to the fact that the Company ordered new inventory before using what was on hand. She noted that Plug had a "ton" of parts but many of these parts were not the correct ones. Witness 11 further explained that the mindset at Plug was to make sure they had parts so they would often buy too many parts, many of which were wrong.

c. Plug's New Manufacturing Facilities Were Delayed, Adding to the Company's Inability to Meet Customer Demand

109. Multiple former employees explained how supply chain delays and other issues hampered Plug's ability to develop and timely open new manufacturing facilities. For example, Witness 5 stated that construction of Plug's manufacturing facility in Slingerlands, New York was delayed due to Plug's inability to manage its supply chain. Witness 5, who was involved with developing this new plant, explained that Plug had a "ridiculous stretch goal" to have the Slingerlands plant producing all GenDrive units for Plug by the middle of 2022. Witness 5 noted, however, that the Slingerlands facility did not actually produce any GenDrive units until November 2022. She explained that despite Plug's ambitious goals, by November 2022, the Slingerlands facility was only producing two-thirds of the Class 3 GenDrive lines, which were the smallest of the three GenDrive classes. Witness 5 explained that the Class 3 GenDrive accounted for 40-50% of the production at Plug's existing plant in Latham, New York and that in November 2022, Plug was still producing many GenDrive units in the Latham facility. Witness 10 also explained that members of the New York State Department of Environmental Conservation had

discussed with her permitting delays at the Slingerlands facility and that they were still experiencing these permitting-related delays during the spring of 2022.

d. Severe Delays Beset Plug's Gigafactory in Rochester, New York

110. Multiple former employees described how the development of a new facility in Rochester, New York was affected by Plug's inability to manage its supply chain and other issues. Witness 12 stated that Plug's plan was for the Rochester facility to become a development site utilizing electrolyzer technology in the generation of hydrogen power. She reported, however, that development was impeded due to COVID-19 and supply chain delays. Witness 11 confirmed that the Rochester gigafactory was behind schedule. Witness 10 stated that construction of the Rochester facility started around January 2021 and was scheduled to be in a testing stage by the end of 2021. However, this was not achieved and the plant was not operational during Witness 10's tenure, which ended in December 2022.

111. Witness 10 stated that equipment that was ordered in February 2021 did not arrive until the fall of 2022 due to supply chain issues. She explained that metal, drywall and building equipment were all hampered by such delays. Witness 10 stated that the Plant General Manager, Dan O'Connell, reported to Defendant Mindnich, who reported to Defendant Marsh. She stated that O'Connell would timely report delays up the chain and that Marsh was aware of the issues at the Rochester plant.

112. Witness 12 similarly explained that when she first started at the Company, the Rochester facility was scheduled to be completed by May 2022. She stated that this date was pushed out to June and then July 2022 and that it was not up and running in September 2022. Witness 12 reported that by the time she left Plug in October 2022, the process of constructing a

couple of the tower units had been started but not yet completed, and that the Company lacked the necessary components needed to finish construction.

113. Witness 17 explained that Plug was attempting to bring the Rochester gigafactory online during her tenure and that the Company's goal was to have an entire production line that would start with raw materials and end with finished products. She noted that Plug was hiring engineers and installing the necessary equipment, but that the goal to have the plant operational before the end of 2022 did not materialize. Witness 17 further stated that management was pushing to have the Rochester plant ready as soon as possible. Witness 17 explained that the failure to achieve operational status was related to COVID-19 and supply chain issues, as the Company could not secure production parts necessary to build the factory. However, Witness 17 stated that even without these supply chain issues, Plug's timeline was "very aggressive" and that the Company had unreasonable expectations. Witness 17 explained that based on her decades of experience, Plug's timeline was not achievable. Witness 17 further stated that her manager was aware that these expectations were unreasonable and voiced his concerns about them.

e. Plug's Construction of Hydrogen Fuel Projects at Customer Facilities Was Delayed Due to Plug's Supply Chain Problems

114. Construction of facilities at Plug's customer sites was also affected by supply chain delays and Plug's inability to acquire necessary components. According to Witness 13, a Power System engineer at the Company from July 2022 until February 2023, Plug was constructing a plant for Amazon to generate and supply hydrogen fuel to power Amazon's trucks and forklifts. Witness 13 stated that the work she was doing while at the Company related to the design and construction of this facility. Witness 13 explained that the entire Amazon hydrogen plant, including its electrolyzers, suffered from problems. In particular, Witness 13 recalled that Plug could not get sufficient parts and supplies delivered for the Amazon project. Witness 13

stated that the Amazon facility was going to use electrolyzers and other equipment manufactured by Plug, but that the electrolyzers were still being designed during her tenure. Witness 13 further stated that the Amazon plant project was initially scheduled to be completed by year-end 2022, but explained that timeline was not achievable and the completion date was ultimately pushed out.

4. Plug's Material Handling Business Suffered from Supply Chain Issues, Poor Service, and Customer Pushouts

115. Throughout the Class Period, Defendants repeatedly highlighted to investors the Company's material handling business, which was the source of most of its revenue, and its relationships with important "pedestal" customers. In truth, as the accounts of numerous former employees reveal, the Company's material handling business suffered from numerous undisclosed issues during the Class Period, and the Company's pedestal customers were dissatisfied with Plug and scaling back and pushing out orders for Plug's hydrogen fuel cells and electrolyzers.

116. During the Class Period, Plug could not keep the Company's fuel cells sufficiently operational. Witness 14, who worked on site at an Amazon facility in Redlands, California during the Class Period, explained that, during her tenure, contracts between Plug and customers such as Amazon and Kroger required an equipment operation rate of 99%. According to Witness 14, this meant Plug needed to keep 99% of its fuel cells at customers' facilities in working order. Witness 14 further explained that if Plug failed to maintain this 99% operation rate, the Company would be required to pay the customer to compensate them for lost use of its equipment. However, according to Witness 14, Plug's equipment operation rate regularly fell below 99%, often falling to 86%, due to maintenance issues and supply chain-related shortages that limited the Company's ability to make fuel cell stacks. Witness 14 stated that Plug had the most trouble keeping its equipment operational during the period of October to November, due to it being the customers' peak season and Plug's difficulty obtaining parts to maintain its fuel cells.

Witness 14 stated that, during her tenure, each of the locations in Plug's West Region experienced the same issues Witness 14 witnessed at the Redlands and Compton facilities, including the inability to maintain 99% operation rates.

117. Numerous former employees confirm that during the Class Period, Plug's material handling customers pushed out projects, scaled back orders, and grew increasingly dissatisfied with Plug's products and service. Witness 8, a Plug Manufacturing Engineer, recalled hearing that several "very large customers" scaled back orders for hydrogen-powered material handling equipment due to cancelled expansion plans. For example, Witness 8 explained that in 2022, Amazon—one of Plug's largest downstream customers—cancelled plans for several supplying warehouses that would have generated large sales of hydrogen-powered forklifts and other material handling equipment for the Company. Witness 8 stated that this development had a ripple effect at Plug, negatively impacting orders for hydrogen fuel cells and other Plug products related to material handling equipment.

118. Witness 14 provided a corroborating account, explaining that, beginning in March 2022 and continuing until she left Plug in September 2022, customers were pushing projects into the future because they were dissatisfied with Plug's fuel cells "going down all the time." Witness 14 recalled projects related to the Home Depot site in Goodyear, Arizona, and the Amazon sites in Tolleson and Mesa, Arizona all being pushed into 2023. Witness 14 estimated that each of these projects had a contract value of at least \$15 million, and that the delays translated into lost revenue for the Company in 2022.

119. Witness 16, a Plug Reliability Engineer from June 2021 until February 2022 who traveled to customer facilities, provided a similar account. Witness 16 explained that many customers experienced problems with Plug's products and noted that one customer reported

dozens of inoperable units in need of repair. Witness 16 stated that, during her entire tenure, customers expressed their dissatisfaction with Plug's products. Witness 16 recalled that most customers were using Plug products to power material handling equipment, and that she believed that some customers were putting off purchases or looking to other vendors because they were disappointed with Plug's products.

120. Witness 15, who was employed by Plug as a Hydrogen Fuel Cell Technician from 2013 until March 2022 and was responsible for servicing fuel cells and fueling systems for Plug products at Walmart facilities, similarly stated that Plug's lack of replacement parts for its material handling equipment undermined its service to its customers. For example, Witness 15 recalled sending in parts for repair but never getting them back. In addition, Witness 15 explained that Plug's hydrogen fuel cells in forklifts would get hot, causing forklifts to stall and tip over. She further stated that the fuel cells were sensitive to a number of airborne solvents (such as spray paint and formaldehyde in cardboard boxes) that would damage the membranes in Plug's fuel cells, resulting in damage. Witness 15 explained that on a number of occasions throughout her tenure at Plug, as many as 40 to 50 hydrogen fuel cells would be shut down, and that Walmart would send its employees home when this occurred. Witness 15 further stated that, according to Operations personnel, the CEO of Walmart was not happy with Plug's hydrogen fuel cells.

121. The accounts of several Witnesses confirm that issues relating to customer dissatisfaction, product reliability, and customer push outs were elevated to Plug's management. For example, Witness 14 recalled that Plug's West Region Service Manager, Kurt Matthews, explained during a recurring Tuesday call with West Region Leads that these projects were being pushed out due to overall customer dissatisfaction and Plug's supply chain issues. Witness 14 stated that Matthews received this information from Amazon West Region Head Account

Manager, Ken Kroner. Witness 14 stated that, based on her conversations with Matthews, Plug's Service Directors and Account Managers were aware of the delays. Witness 14 also believed that Service Directors and Account Managers reported the delays up through the Company's chain of command.

122. Similarly, Witness 16 recalled that issues relating to the reliability of Plug's products were routinely elevated up the chain at the Company. Indeed, Witness 16 noted that she attended bi-weekly team meetings with Power Generation Division management. Witness 16 explained that, in those meetings, she and other engineers brought up the issues with Plug's products. Witness 16 also explained that she attended "town hall" meetings with members of Plug's senior management where the unavailability of materials for production and quality control issues that resulted in poor reliability were discussed.

5. Plug's Reduced Manufacturing Output and Customer Pushouts Rendered Its Forecasts Unattainable

123. Delays and pushouts of customer orders severely impacted Plug's financial performance during the Class Period. Multiple former employees confirm that these issues impacted Plug's financial targets and rendered its public projections unattainable. In particular, the Company's ability to manufacture and deliver its hydrogen fuel cells and electrolyzers was critically important to Plug's financial performance. As Witness 8 explained, one of Plug's largest revenue sources was the manufacture and sale of equipment for hydrogen fuel processing and fuel cells, particularly those used in warehouse material handling equipment.

124. As a part of her work on Plug's Slingerlands, New York facility, Witness 5 was given access to a "Production Plan" in February or March 2022. The Production Plan was created by the Planning Team and updated by the Finance Department with production numbers and goals. According to Witness 5, the Production Plan included details on the number of GenDrive units

that Plug expected to manufacture and deliver for “the next couple of years.” Witness 5 explained that while she was working on the Slingerlands facility, the Production Plan was adjusted downwards due to supply chain issues and customer order “push outs.” Witness 5 recalled that Plug’s expected production numbers for 2022 and 2023, which had been provided to her at the beginning of the 2022 year, kept changing.

125. Specifically, Witness 5 stated that Plug’s expected production of GenDrive units in 2022 was substantially reduced by the time she left the company. Witness 5 estimated that the first Production Plan she received in early 2022 had an expected goal of 15,000 to 16,000 GenDrive units for 2022, and that this goal was lowered “sometime in Q2” of 2022 to just over 10,000 units. Witness 5 explained that the original forecast of 15,000 to 16,000 units included all GenDrive units (Class 1, 2, and 3). Witness 5 stated that she believed that the Gen Drive unit was Plug’s primary source of revenue in 2022. Therefore, Witness 5 explained that the reduced forecast of only 10,000 GenDrive units in 2022 reflected a substantial reduction in revenue. Witness 5 recalled that it was in the summer of 2022 when Plug employees started seeing the changes to the Production Plan “rolling out.” Witness 5 stated that Defendant Mindnich and another senior manager named Jose³ who reported to Defendant Marsh both saw the Production Plans. Witness 5 recalled an email chain concerning the Slingerlands facility that included members of Plug’s Finance team discussing the Production Plan. Following this email exchange, Mindnich called Witness 5 to discuss Witness 5’s email exchange with Finance concerning the Production Plan.

126. Witness 5 further recalled that the issues driving Plug’s reduced GenDrive production forecast for 2022 were predominantly supply chain issues and customer pushouts. She

³ Based on Plaintiffs’ counsel’s investigation, Plaintiffs believe the individual referred to by Witness 5 is Jose Luis Crespo, Plug’s General Manager of Material Handling & Global Key Accounts.

reported that “Amazon was one of the big ones” to push out orders. Witness 5 explained that Plug had a very high number of site startups planned with Amazon for 2022, which included the purchase of GenDrive units and hydrogen fuel, among other things. Witness 5 specifically recalled approximately 50 to 100 expected “startup kits” for Amazon that were pushed out in 2022. Witness 5 stated that each startup kit included approximately 100 GenDrive units, which amounted to a total of approximately 5,000 to 10,000 units that had been pushed out by Amazon. Witness 5 explained that Plug had contracted with tool suppliers such as Grainger in connection with these kits, and that Witness 5 learned this information by speaking to a representative from Grainger with whom Witness 5 interacted in connection with Witness 5’s work on the Slingerlands plant.

127. Multiple other former employees confirmed that supply chain problems and delays in the development of new facilities caused orders to be pushed out and negatively impacted Plug’s ability to hit its financial targets. Witness 10, for example, stated that she believed that Plug’s inability to complete construction of new plants led to sales being pushed out to 2023. Witness 12 stated that supply chain delays “absolutely” impacted Plug’s financial forecasts. Witness 12 stated that Plug hired employees and made investments in various plants and projects in 2022 but was unable to complete those projects. Witness 12 saw many purchase orders, each for thousands of dollars, which had been delayed due to supply problems. Witness 12 stated that the Company’s inability to source components for its products affected some of its largest customers, including Walmart, Home Depot, and Amazon. Witness 14 also explained that the delays of the Home Depot site in Goodyear, Arizona and the Amazon sites in Mesa and Tolleson, Arizona translated into lost revenue for the Company in 2022.

128. Internally, the Company acknowledged to its employees that its financial forecasts were not attainable. Witness 17 recalled that during one of Defendant Marsh’s weekly

company-wide Zoom calls between late-August and late-September 2022, Marsh announced that the Company was behind on either its sales or revenue targets. Witness 17 stated that this announcement was accompanied by a slide deck that was provided via an email or shown directly on the Zoom call. Witness 17 recalled that this announcement was made in the context of discussing Plug's bonus categories, which included a metric based on the Company meeting certain financial targets, including sales and revenue. Witness 17 stated that she believed, to the best of her recollection, that the target figure for 2022 was around \$900 million. She also recalled that, at the time of the meeting, Plug was projecting to end 2022 at around \$700 million based on its performance to date and projections for the rest of the year. Significantly, Witness 17's recollection of Plug's original target matches Plug's 2022 revenue goal of \$900-925 million (as discussed below) and Witness 17's recollection of the reduced, internal projection is very close to the \$701.4 million in 2022 revenue that Plug ultimately announced on March 1, 2023. While Witness 17 could not recall the exact figures, she did recall estimating that based upon Plug's original forecast and revised projections, Plug was projecting to be roughly 25% below its original plan in terms of either sales or revenues for 2022.

C. Defendants' Materially False and Misleading Statements

129. From January through August 2022, Defendants made a series of materially false and misleading statements in which they set out: (i) the significant progress Plug had purportedly already made in constructing and operating its hydrogen production facilities; (ii) Plug's 2022 goal of producing 70 tons of hydrogen per day; and (iii) Plug's 2022 revenue goal of \$900-925 million. Defendants' statements, which portrayed Plug as a rapidly expanding green hydrogen leader, downplayed or omitted entirely the serious and pervasive challenges Plug was facing at the time, and painted a false and misleading picture of a company that was poised to make significant

financial and operational advances in 2022. As detailed below, Plug’s updated, lower projections later in the Class Period were still materially overstated when made.

1. False and Misleading Statements Concerning the Existing State of Construction of Plug’s Georgia Liquid Hydrogen Production Facility

130. The first category of Defendants’ false and misleading statements concerns the purported state of construction of Plug’s Georgia liquid hydrogen plant, which was intended to produce 15 tons per day of liquid hydrogen using Plug’s own electrolyzers by year-end 2022.

131. On January 19, 2022, Plug held a business update call with securities analysts (referred to herein as “analysts”) in which Defendant Marsh touted the pace of construction of Plug’s critical Georgia liquid hydrogen plant:

*We have another site that’s being constructed in Georgia and the border between Florida and Georgia by the major highways. That will actually be producing some green hydrogen in this February. But that plan[t] will be 15 tons, a little bit more by the end of the year. So we have, as I mentioned during the call – we’ll have additional sites under construction by year-end. And I think with what we’ve secured, we’re on a good pace to reach that goal.*⁴

132. On March 1, 2022, Plug published on its website and filed with the SEC its Q4 2021 investor letter, signed by Defendants Marsh and Middleton. In the letter, Plug highlighted its construction of hydrogen production facilities, and in particular, its Georgia plant, stating:

Executing on Building First-of-a-Kind Green Hydrogen Generation Network . . . Plug Power broke ground on multiple plants in 2021 and plans to break ground on several more in 2022. We will have the world’s first gaseous green hydrogen plant utilizing Plug Power’s 5MW electrolyzer in Georgia during Q1 2022. *This site is also under construction for a 15 TPD [tons per day] liquid plant.* Our 15 TPD plant in the southeast is on schedule to be commissioned by the end of 2022.

133. These assertions of purportedly existing fact that the Georgia liquid hydrogen plant was “being constructed” or “under construction” were material because, as discussed herein:

⁴ Unless otherwise noted, all emphasis is added.

(i) Plug’s production of its own hydrogen was critical to the Company’s revenues, costs, and profits; (ii) Plug’s Georgia hydrogen plant was particularly important because it was intended to be the Company’s first plant that produced hydrogen using Plug’s own electrolyzers pursuant to Plug’s vertical integration strategy; and (iii) Plug used the purported construction status of the Georgia facility as evidence that the Company was on track to achieve its overall hydrogen production goal of 70 tons per day in total by the end of 2022.

134. These statements were affirmatively false, and misleading by omission, when made, as multiple later admissions by Defendants make clear. After the Class Period, the Company acknowledged in a May 9, 2023 promotional video that the Georgia liquid hydrogen plant “is being completed in eleven months,” or in other words, that the construction of that plant did not begin until eleven months earlier, in June 2022, at the earliest. This directly contradicts, and renders affirmatively false, Defendant Marsh’s January 19, 2022 statement that the Georgia liquid hydrogen plant was “being constructed” at that time, and the statement in Plug’s March 1, 2022 investor letter that the Georgia site was already “under construction for a 15 TPD liquid plant.”

135. Further demonstrating that Defendants’ January 19, 2022 and March 1, 2022 statements alleged above in ¶¶131-132 were materially false or misleading when made, Defendant Shrestha stated during an August 9, 2023 earnings call that liquid hydrogen production had not yet begun at the Georgia plant at that time, but that this “plant is still coming online in 12 months since we actually issued the [engineering, procurement, and construction] contract.” This means that the contract governing construction of the Georgia liquid hydrogen facility, which had to be issued before construction could begin, could not have been issued until August 2022, at the earliest. Thus, when Defendants asserted that Plug’s Georgia liquid hydrogen plant was under construction on January 19, 2022 and March 1, 2022, Plug had not even issued the essential contract governing

construction of the facility.⁵ That material, undisclosed fact renders Defendants' assertions misleading by omission, at a minimum.

136. Plug did not announce the start of liquid hydrogen production at its Georgia plant until January 23, 2024. When it made that announcement, Plug indicated that the plant had been finished in "18 months," placing the start of construction in summer 2022. Again, summer 2022 is after Defendants made the affirmatively false and misleading-by-omission statements on January 19 and March 1, 2022, that the plant was already under construction.

137. Additionally, Witness allegations about the major difficulties that Plug was having in constructing hydrogen production facilities, including the Georgia facility (*supra* ¶¶72-83), provide further support and explanation for the fact that the Georgia liquid hydrogen plant was not under construction when Defendants claimed that it was.

2. False and Misleading Statements Concerning the Existing Operational Status of Gaseous Hydrogen Production at Plug's Georgia Plant

138. The second category of Defendants' false and misleading statements concerns the existing operational status of gaseous hydrogen production at Plug's Georgia plant. Before the construction of the liquid hydrogen facility at the Georgia site that is the subject of the previous section, Plug planned to produce a limited amount of gaseous hydrogen using the initial electrolyzer unit, known as "Pathfinder," at the Georgia site.

⁵ An engineering, procurement, and construction contract, also known as an EPC contract, provides for a contractor to perform substantially the entire design and construction of a project from start to finish: "The term EPC represents almost the entire project lifecycle. The contractor is fully responsible for the whole project management services, from designing to procurement and then executing the construction work." Blackridge Research and Consulting, "What Is an EPC Contract?," *available at* <https://www.blackridgeresearch.com/blog/what-is-an-epc-contract>; *see also* H + M Industrial, "What Does an EPC Contractor Do?," *available at* <https://www.hm-ec.com/our-epc-approach/what-does-an-epc-contractor-do-hm> ("a single EPC contractor works under a single contract with a project owner, executing all project phases from start to finish").

139. On August 9, 2022, the Company published on its website and filed with the SEC its Q2 2022 investor letter, signed by Defendants Marsh and Middleton. The letter contained ambitious claims regarding the Company's progress in building a green hydrogen generation network in the wake of the Senate's passage of the IRA, including a production tax credit for green hydrogen. Specifically, the Company stated in its investor letter: "Continued execution on building out first of its kind green hydrogen generation network in North America. On track to commission 70TPD of green hydrogen by year end, with ***2.5 TPD [tons per day] Green gaseous production online at Georgia facility.***"

140. This assertion of purportedly existing fact that there was "2.5 TBD Green gaseous production online at the Georgia facility" was material because, as discussed herein: (i) Plug's production of its own hydrogen was critical to the Company's revenues, costs, and profits; (ii) Plug's Georgia hydrogen plant was particularly important because it was intended to be the Company's first plant that produced hydrogen using Plug's own electrolyzers pursuant to Plug's vertical integration strategy; and (iii) Plug used the purported operational status of the Georgia facility as evidence that the Company was on track to achieve its hydrogen production goals.

141. Defendants' statement that production of 2.5 tons per day at its Georgia gas hydrogen production facility was "online" was affirmatively false, and misleading by omission, when made because Witness accounts indicate that Plug had only registered a change in the readings on the displays for that facility rather than actually producing hydrogen. As described above in ¶¶89-90, the Company declared the Pathfinder project at the Georgia facility that was purportedly used to produce that gaseous hydrogen "in-service" after turning the electrolysis equipment on for a short period of time and registering a change in the readings on the displays,

despite not having produced any measurable amount of hydrogen. Specifically, Witness 3 stated that, in August 2022 or later, an inspector at the Georgia facility “informed her that the Company had turned on the electrolyzer and a transformer that powered the plant, and that the readings on the transformer’s display panel changed numbers”; “explained that the Company immediately shut off the power and concluded from this change on the display panel that hydrogen had been produced”; and “told her that based on this event, Plug deemed the Pathfinder project to be ‘in service,’” even though “Plug had not measured any amount of hydrogen actually produced[.]” ¶89; *see also* ¶86 (Witness 3 explained the cause of delays on the Pathfinder project). Witness 2 also corroborated Witness 3’s account. ¶90. Plug’s August 9, 2022 statement that the Company had “2.5 TPD Green gaseous production online at Georgia facility” was thus affirmatively false when made, as the facility was not in fact “online” in any meaningful sense. This statement was also materially misleading by omission when made because Defendants did not disclose that this facility was not meaningfully “online” and was not materially in production.

3. False and Misleading Statements Concerning Plug’s Hydrogen Production Projections: January 19, 2022, March 1, 2022, and May 19, 2022

142. The third category of Defendants’ false and misleading statements concerns Plug’s hydrogen production projections announced on January 19, 2022, March 1, 2022, and May 19, 2022, when Defendants set out and reiterated Plug’s target of producing 70 tons of hydrogen per day by the end of 2022. Those projections were affirmatively false, and misleading by omission, when made because, as multiple Witnesses make clear, Plug never had a realistic prospect of producing sufficient hydrogen to even come close to the 70 TPD target in 2022 and therefore had no reasonable basis to issue that target to investors. These statements were also false, and misleading by omission, as of January 19, 2022, and remained so each time they were

reiterated, because they failed to disclose the significant problems that prevented Plug from being able to produce any material amount of green hydrogen in 2022.

143. Defendants' false and misleading hydrogen projection statements on January 19, March 1, and May 19, 2022 are as follows:

(a) On a January 19, 2022, business update call with analysts, Defendant Marsh announced: "Going back to the energy business, *here are our 2022 goals, 70 tonnes of green hydrogen production by year-end*, starting construction of 3 additional plants[.]" He added that "we're on a good pace to reach that goal," and emphasized: "*by year-end*, you can see us—we'll still be purchasing party—hydrogen from third parties, but *we'll be generating 70 tons a day ourselves[.]*" Moreover, in response to an analyst question about Plug's expected liquid hydrogen sales in 2022, Marsh added: "*we'll be generating 70 tons a day ourselves*, which will—which some of that will go to our present customers and some of that will go to external sources because it will be more profitable selling it on the spot market or through contracts we're developing."

(b) In connection with the Company's January 19, 2022 business update call, Plug filed an accompanying presentation with the SEC the same day in which Plug described its goals as including the following: "Goals for Energy": "*70 TPD [tons per day] of green hydrogen produced by end of 2022.*"

(c) On March 1, 2022, the Company published on its website and filed with the SEC its Q4 2021 investor letter, signed by Defendants Marsh and Middleton, which described the benefits of constructing a hydrogen generation network and reiterated the 70 tons per day target:

Executing on building the "first of a kind" green hydrogen generation network in North America: Multiple Plug hydrogen plants are currently under construction and will come online by the end of 2022. In addition, we plan to break ground on many more during 2022, essentially establishing a green hydrogen generation network in North America by the end of 2023 or early 2024. *We are targeting 70 tons per day (TPD) by the end of this year* and are on track to have 500TPD of green hydrogen

production by 2025 and 1,000 TPD by 2028. We believe this green hydrogen generation network creates a flywheel effect by making green hydrogen ubiquitous and economical, helping accelerate the proliferation of numerous fuel cell applications.

(d) Another portion of the March 1, 2022 letter similarly touted the 70 tons per day target, and described the cash flow (i.e., revenue) and margin benefits of building a green hydrogen generation network:

Executing on Building First-of-a-Kind Green Hydrogen Generation Network . . . Plug Power broke ground on multiple plants in 2021 and plans to break ground on several more in 2022. We will have the world's first gaseous green hydrogen plant utilizing Plug Power's 5MW electrolyzer in Georgia during Q1 2022. This site is also under construction for a 15 TPD liquid plant. Our 15 TPD plant in the southeast is on schedule to be commissioned by the end of 2022. In New York, we are constructing the world's largest liquid green hydrogen plant with an initial capacity of 45 TPD targeting operations by year end. . . . Furthermore, we plan to break ground on multiple new plants during 2022, building a national green hydrogen generation network by the end of 2023 or early 2024. ***We are targeting 70 TPD by end of 2022*** and remain on track to have 500 TPD of green hydrogen generation network in North America by 2025 and 1,000 TPD on a global basis by 2028. As we continue to build this green hydrogen generation network, we expect our fuel business to start generating cash flow and approaching corporate margin targets with potential for upside.

(e) Then, on May 9, 2022, the Company published on its website and filed with the SEC its Q1 2022 investor letter, signed by Defendants Marsh and Middleton, which asserted:

We remain focused on building out the green hydrogen generation network with ***targets of 70 tons per day (TPD) by the end of 2022***, 500 TPD in North America by 2025 and 1,000 TPD globally by 2028.

(f) On Plug's May 9, 2022 earnings call, Defendant Marsh repeated Plug's year-end green hydrogen production goal: "***With deployment of our green hydrogen network, 70 tons which will be available by year's end***, our cost will be 1/3 today's cost. . . ."

144. Witness allegations make clear that these hydrogen production projections were affirmatively false when made because Plug never had a realistic prospect of producing sufficient hydrogen to even come close to the 70 TPD target in 2022. These statements were also misleading

by omission when made, because Defendants failed to disclose the numerous problems that they knew prevented Plug from meeting its hydrogen production target. The Witness accounts confirm that, prior to and as of January 19, 2022, Plug was suffering from a host of undisclosed issues impacting its electrolyzer manufacturing operations, which had a significant negative impact on the Company's ability to manufacture as many electrolyzers as it needed for its planned new hydrogen plants. These issues and other undisclosed problems in building those hydrogen plants (discussed below) meant that Plug's published goal of producing 70 tons of hydrogen per day by the end of 2022 lacked any reasonable basis, rendering statements reiterating that goal affirmatively false, and misleading by omission, when made. Further, these false and misleading statements were highly material, as Plug's production of its own hydrogen was critical to the Company's revenues, costs, and profits. For example, Defendant Marsh emphasized the importance of Plug's hydrogen plant build-out on a November 8, 2022 earnings call: "The equation for success really comes down to building out our green hydrogen platform, which will transform a negative margin hydrogen business to a growing positive margin business just by turning on the plants." *See also* ¶156 *infra* (analyst statements concerning importance of hydrogen production to Plug's business); ¶¶65-71 *supra* (Witness statements concerning same).

145. The undisclosed facts demonstrating that Plug's target of generating 70 tons of hydrogen per day by the end of 2022 were false and misleading as soon as it was publicly stated on January 19, 2022 are as follows:

(a) Witness 2, who worked as Director of Project Management at Plug from April 2021 to November 2022 with responsibility for all of Plug's planned hydrogen-generation facilities, said that Plug's published goal of 70 tons of hydrogen per day was *never* possible; that everyone in Plug's Project Group knew Plug didn't have the necessary equipment to meet the goal;

that the Project Group informed Defendant Shrestha that the targets were not attainable; and that Plug manufactured the electrolysis equipment itself and *never* had enough functional and tested equipment to meet the goal. Thus, Witness 2 said the targets were *never* realistic. During Witness 2's tenure at Plug, all of Plug's hydrogen fuel generation plants were behind schedule and over budget. She stated that on average, each project was approximately 30-70% over budget at any given time, and that many projects were delayed more than a year. Witness 2 explained that the schedules presented to senior management by Project Managers reflected the "absolute shortest path" and that even two days of rain would render those schedules unattainable, but that senior management would reject those schedules and say that they could "take less time" with no basis. Thus, Witness 2's statements demonstrate that Plug's hydrogen production targets were materially false and misleading as of January 19, 2022 through at least November 2022, when she left the Company. *See also* ¶¶73-82, 85, *supra*.

(b) Witness 4, who worked for Plug as a truck driver from September 2021 to February 2022, hauling liquid hydrogen acquired from third parties to Plug's customers, said that Plug could not make the electrolyzers it needed or fix malfunctioning electrolyzers it had sold to customers, because the necessary parts were sitting on barges off the coast of Florida, where Plug's truck drivers would wait for them. She also said that none of Plug's plants produced any liquid hydrogen during her tenure. Witness 4's statements pertain to circumstances prior to her departure from the Company in February 2022, and demonstrate that Plug's stated hydrogen production target was materially false and misleading as of January 19, 2022. *See also* ¶¶66-68, *supra*.

146. Additionally, on March 1, 2022, the Company filed with the SEC its annual report on Form 10-K for the year ended December 31, 2021, which included the following false

and misleading statement about risks related to the execution and operation of Plug's green hydrogen production projects, as well as the Company's electrolyzer manufacturing:

We may be unable to successfully execute and operate our green hydrogen production projects and such projects may cost more and take longer to complete than we expect.

As part of our vertical integration strategy, the Company is developing and constructing green hydrogen production facilities at locations across the United States and Canada. Our ability to successfully complete and operate these projects is not guaranteed. These projects will impact our ability to meet and supplement the hydrogen demands for our products and services, for both existing and prospective customers. Our hydrogen production projects are dependent, in part, upon the Company's ability to meet our internal demand for electrolyzers required for such projects. Electrolyzer demand by external customers may concurrently affect the Company's ability to meet the internal electrolyzer demand from our hydrogen production projects. The timing and cost to complete the construction of our hydrogen production projects are subject to a number of factors outside of our control and such projects may take longer and cost more to complete and become operational than we expect.⁶

147. The Form 10-K also stated:

We may be unable to successfully pursue, integrate, or execute upon our new business ventures.

We have begun developing and constructing of hydrogen production plants across the United States There can be no assurances that we will be able to successfully implement our new business ventures or successfully operate within this industry. Additionally, the ability to successfully integrate and execute these projects is dependent upon our ability to manufacture and supply each project with a sufficient number of electrolyzers. The successful integration of our electrolyzer manufacturing objectives will affect our ability to meet demands for electrolyzers – both internally for our hydrogen production projects, and externally for third-party electrolyzer customers.⁷

⁶ Bold in original.

⁷ Bold in original.

148. The statements in ¶¶146-147 were affirmatively false, and misleading by omission, when made on March 1, 2022 because they presented as contingent the then-existing reality that Plug could not successfully implement its hydrogen production projects on the schedule and scale it represented to investors. These statements were also materially misleading by omission because they did not disclose the significant delays, cost overruns, and project management deficiencies in Plug’s liquid hydrogen business, as described above in ¶¶66-68, 72-82, 86, 89-90, 134-136, 141, and 144-145.

4. False and Misleading Statements Concerning Plug’s Hydrogen Production Projections and Statements of Existing Fact: August 9, October 19, and November 8, 2022

149. The fourth category of Defendants’ false and misleading statements concerns Plug’s hydrogen production projections on August 9, 2022, when Defendants reiterated the 70 tons per day target, and on October 19, 2022 and November 8, 2022, when Defendants set out a reduced year-end target of 50 or 45-50 tons per day. These statements are similar in some respects to Defendants’ hydrogen-production-target statements earlier in 2022 discussed above, but they differ in three important ways. First, on August 9, 2022, Defendants not only reiterated 70 tons per day as a target, but also made an assertion of existing fact that Plug was “on track” to achieve that target. Second, by the summer of 2022, there is additional evidence from Witnesses that Plug senior management was aware that the Company would not meet its year-end 2022 hydrogen production goal, including the reduced goal of 50 or 45-50 tons per day. Third, on November 8, 2022, Defendants represented that Plug was “on track” to commission its 15 tons per day liquid hydrogen plant in Georgia by the end of that year, even though, as a Witness makes clear, that plant was two years behind schedule as of November 2022.

150. Defendants’ false and misleading hydrogen production target statements on August 9, 2022 and October 19, 2022 are as follows:

(a) On August 9, 2022, the Company published on its website and filed with the SEC its Q2 2022 investor letter, signed by Defendants Marsh and Middleton, which described the Company's progress in building a green hydrogen generation network and stated that Plug was "on track" to produce 70 tons per day of hydrogen by the end of that year:

Continued execution on building out first of its kind green hydrogen generation network in North America. ***On track to commission 70TPD of green hydrogen by year end***, with 2.5 TPD Green gaseous production online at Georgia facility.

(b) Similarly, the August 9, 2022 letter continued:

We remain focused on building out the green hydrogen generation network with ***targets of 70 TPD commissioning by the end of 2022***, 500 TPD in North America by 2025 and 1,000 TPD globally by 2028. . . . Our ***path to commission 70TPD*** includes build out of our plant in Georgia (20TPD), St. Gabe, Louisiana (15TPD), expansion in Tennessee (10-15TD), gas plant in New York (5TPD) and additional gas plant in Texas (5-10TPD).

(c) After touting "meaningful progress with construction of our plant in Georgia," and providing optimistic updates with respect to the remaining plants, Plug's August 9, 2022 letter concluded: "In summary, we are pleased that we ***on track to achieve our target of commissioning 70TPD by YE 2022.***"

(d) During the Company's Q2 2022 earnings call on August 9, 2022, Defendant Marsh also emphasized the Company's target of producing 70 tons per day of green hydrogen by the end of 2022 as a "key initiative":

I'd like to highlight Plug's priorities beyond our revenue goals [of] \$900 million to \$925 million in 2022 and \$3 billion in 2025. First, our first and foremost, our path to profitability in 2024. ***This includes the following key initiatives: one, commissioning 70 tons of green hydrogen in 2022*** and 500 by 2025 in the U.S. and 1,000 tons globally by 2028.

151. Then, on October 19, 2022, Plug held an analyst symposium, where Defendant Shrestha revealed that Plug would not reach its much-touted target of 70 tons per day of hydrogen production by year-end 2022, but told investors that Plug now had a year-end goal of "about 50"

tons per day. As alleged in detail in ¶¶172-177 below, these false and misleading statements were accompanied by simultaneous partial corrective disclosures that caused Plug's stock price to decline significantly.

152. On a November 8, 2022 investor call, Marsh addressed Plug's Georgia hydrogen plant by asserting that Plug "will be scaling up and putting out hydrogen for production at scale" at that facility "within 3 months." In addition, Plug asserted in its November 8, 2022 investor letter that it "continue[s] to make significant progress on the build out of the Georgia plant and Plug plans to commission 15TPD by YE22," and that construction progress is "keeping us on track to commission the plant by YE22." Plug also reiterated in the investor letter that it "***remain[s] confident to exit 2022 with 45-50 TPD of hydrogen generation plants being commissioned.***" As alleged in detail in ¶¶178-182 below, these false and misleading statements were accompanied by simultaneous partial corrective disclosures that caused Plug's stock price to decline significantly.

153. Witness statements about events in the summer of 2022 demonstrate that Defendants' August 9, 2022 statement of purportedly existing fact that Plug was "on track" to meet its 70 tons per day goal, and their statement of a 50 or 45-50 tons per day goal on October 19 and November 8, 2022, were affirmatively false when made because both goals lacked any reasonable basis when represented to investors, and misleading by omission because Defendants concealed the then-existing problems that made the goals lack any reasonable basis. In reality, Plug was not "on track" on August 9, 2022 to meet its 70 tons per day target, nor was it in any position on October 19 or November 8, 2022 to produce 50 or 45-50 tons per day by the end of 2022. These material undisclosed facts include the following:

(a) Witness 2, who worked as Director of Project Management at Plug from April 2021 to November 2022 with responsibility for all of Plug's planned hydrogen-generation

facilities, said that the fact that the hydrogen production targets were not realistic was communicated to Plug senior management, including Defendant Shrestha, and that senior management knew in June or July of 2022 that the targets were impossible to meet. Witness 2 also said that Plug initially stated that its Peachtree liquid hydrogen plant in Kingsland, Georgia would be ready by Thanksgiving 2021. However, by February 2022, the first electrolyzer for this plant had still not shipped, and she said that this plant was still not operational as of June 2023. *See also* ¶¶78, 85, 145(a), *supra*.

(b) Witness 1, who worked as a Project Manager at Plug from December 2021 until July 2022, said that she knew as of May or June 2022 that the Company's hydrogen production projections were "way off." Witness 1 explained that, notwithstanding Plug's projections of 70 or 50 tons of hydrogen production, its realistic production of hydrogen was more like two tons. In monthly meetings, Witness 1 told Plug's senior management that their projections for hydrogen production were "hilariously off," and told Defendant Marsh that the facilities they were constructing were "three years out in service" (in other words, that they would not be in service for three years). *See also* ¶84, *supra*. Witness 2 corroborated Witness 1's statements, saying that Witness 1 gave senior management, including Defendant Shrestha, the best realistic schedule, which Plug ignored in its public statements "the next day." *See* ¶91, *supra*. Witness 3 likewise corroborated Witness 1's statements. *See* ¶92, *supra*.

(c) Witness 3, who worked as a Project Engineer at Plug from April 2022 until August 2022, said that upon starting at Plug she saw dysfunction and a lack of execution at the Pathfinder hydrogen production project and realized immediately that the project's schedule was "unrealistic." She also said that there was a "strong awareness" by all employees that the project's schedule was unachievable. *See also* ¶¶80, 86, *supra*.

154. Plug did not announce the start of liquid hydrogen production at its Georgia plant until January 23, 2024, and Plug has not achieved hydrogen production of 70 tons per day or even 50 tons per day as of February 2025. These facts further indicate that Defendants’ projections of 70 tons per day or about 50 tons per day by the end of 2022 lacked a reasonable basis, just as Plug employees warned internally in the summer of 2022.

155. Additionally, the assertion in Plug’s November 8, 2022 investor letter, published on Plug’s website, filed with the SEC, and signed by Defendants Marsh and Middleton, that Plug “continue[s] to make significant progress on the build out of the Georgia plant and Plug plans to commission 15TPD by YE22,” and that construction progress is “keeping us on track to commission the plant by YE22” was a materially false and misleading statement of existing fact. In fact, according to Witness 2, the Georgia hydrogen production facility was about two years behind schedule when she left the Company in November 2022, *the same month this misrepresentation was made*, and was so far behind schedule that Plug would be lucky if it could produce liquid hydrogen by January 1, 2024. According to Witness 2, as of November 2022, Plug’s Georgia plant had only one functioning electrolyzer and did not have sufficient capacity to cool and liquefy the hydrogen produced. *See also* ¶78, *supra*. Thus, this statement was affirmatively false when made because Plug was not “on track” to commission the Georgia plant by the end of 2022, and was misleading by omission when made because it omitted the material fact that the plant was two years behind schedule.

156. These false and misleading statements were highly material, as Plug’s production of its own hydrogen was critical to the Company’s revenues, costs, and profits. For example, Defendant Marsh emphasized the importance of Plug’s hydrogen plant build-out on a November 8, 2022 earnings call: “The equation for success really comes down to building out our

green hydrogen platform, which will transform a negative margin hydrogen business to a growing positive margin business just by turning on the plants.” *See also* ¶¶65-71 *supra* (Witness statements concerning importance of hydrogen production to Plug’s business). Throughout 2022, analysts also emphasized the importance to investors of Plug’s statements about its 2022 hydrogen production goal and noted the importance of that goal to Plug’s margins:

(a) In a January 19, 2022 report, an Oppenheimer analyst noted: “With a goal of 70 tons/day of green hydrogen production by YE22, in-sourcing [hydrogen] procurement is expected to drive a step-change in [Plug’s] fueling margins.”

(b) In a January 20, 2022 report, a Roth Capital analyst noted Plug’s “target capacity of 70 TPD” by year-end, and added: “We continue to see green hydrogen as the major valuation driver in 2022[.]”

(c) An RBC analyst noted in a January 19, 2022 report that Plug’s “[r]evenue growth accelerates and gross margin steadily improves through 4Q22 with the completion of three new [hydrogen] plants taking production from 10tpd to 70tpd by year-end.”

(d) A March 1, 2022 RBC report noted: “**Hydrogen network expansion is the top priority for 2022.** Three new [hydrogen] plants take production from 10tpd to 70tpd by YE22 with additional expansion to 500tpd in [North America] by 2025 and 1,000tpd globally by 2028.”⁸

(e) A BMO Capital analyst noted in a March 2, 2022 report that there were “[p]lenty of positives on [Plug’s] hydrogen development build” as “PLUG remains on track to hit 70 TPD of green hydrogen production by the end of 2022.”

⁸ Bold in original.

(f) Cowen Equity Research stated in a May 9, 2022 report that it had “increasing confidence in the company’s corporate transformation,” including because Plug’s “green hydrogen production plans remain on track to reach 70 tons per day exiting 2022”

(g) In a May 10, 2022 report, a Truist Securities analyst noted that “PLUG remains on track in green [hydrogen] buildout (70Tpd YE ’22E, 200Tpd YE ’23E).”

(h) An Evercore analyst noted on August 9, 2022: “PLUG’s first mover status is a clear advantage. The company is on track to produce 70 TPD by the end of 2022, 500 TPD in North America by 2025 and 1,000 TPD by 2028. The build to 70 TPD by the end of this year includes a plant in GA (20 TPD), LA (15 TPD), TN (10-15 TPD), NY (5 TPD), and TX (5-10 TPD).”

5. False and Misleading Statements Concerning Plug’s Revenue Projections: January 19, March 1, May 19, and August 9, 2022

157. The fifth category of Defendants’ false and misleading statements concerns Plug’s revenue projections on January 19, March 1, May 19, and August 9, 2022, when Defendants set out and reiterated Plug’s 2022 revenue target of \$900-\$925 million. These projections were affirmatively false because Plug executives knew that the Company was undergoing severe manufacturing and supply chain problems, resulting in Plug internally slashing its projections for manufacturing GenDrive fuel cell units (the Company’s main source of revenue) in the second quarter of 2022. These projections were also misleading by omission because Defendants did not disclose the material, then-existing problems that deprived Plug’s revenue projections of any reasonable basis. Defendants’ false and misleading revenue projection statements are as follows:

(a) On January 19, 2022, Plug held a business update call with securities analysts in which Defendant Marsh highlighted Plug’s 2022 revenue goal, asserting: “From a big picture, *the key goal for Plug is revenue for 2022, and I would like to reiterate that goal, \$900*

million to \$925 million in revenue at 80% growth over 2021.” This compares to Plug’s revenue of approximately \$502 million in 2021.

(b) Marsh continued the January 19, 2022 call by emphasizing that Plug would at least achieve and possibly exceed its 2022 revenue goal of \$900 million to \$925 million:

[D]uring the past years that we’ve – we gradually upped the targets once the numbers become more and more firm. And again, *we look at the \$900 million, \$925 million, and I can sit here and say, “I’m not going to be debating with you guys whether we made it or not.”* As things begun to – as more activity becomes clearer and clearer, *I wouldn’t be surprised if we, throughout the year, increased numbers if the crystal ball becomes clearer. I think we all look to this number and said, we’re not going to be sweating it. And so I wouldn’t be surprised if gradually throughout the year, we’ve increased the numbers.*

(c) In connection with the Company’s January 19, 2022 business update call, Plug filed an accompanying presentation with the SEC the same day in which Plug described its goals as including the following: “**2022 Revenue Goal: \$900M—\$925M.**”

(d) On March 1, 2022, the Company published on its website and filed with the SEC its Q4 2021 investor letter, signed by Defendants Marsh and Middleton, which emphasized Plug’s revenue goal for 2022 and hydrogen production’s contribution to revenue: “To reiterate, *we are looking at \$900-\$925 million in revenue, 80% revenue growth year over year in 2022.* Through key acquisitions and joint ventures, expansion of our solutions offerings, *building a green hydrogen network* and gigafactories—we’ve positioned the Company for a strong 2022 and beyond. It keeps us on pace to meet our 2025 goal[] of \$3 billion in revenue”

(f) On May 9, 2022, the Company held its Q1 2022 earnings call. Defendant Marsh asserted: “[L]et me highlight the present is very bright. In the present, how many companies will increase by over 80% this coming year in revenue.” Marsh concluded: “No one is in a better position to take advantage of this trend for the hydrogen economy for the coming years.

So we're excited. *We're going to deliver our \$925 million this year[.]*" The same day, in its Q1 2022 investor letter, Plug emphasized that it "Reaffirms Full-Year Targets" for revenue.

(g) On August 9, 2022, the Company published on its website and filed with the SEC its Q2 2022 investor letter, signed by Defendants Marsh and Middleton, which reaffirmed Plug's 2022 revenue guidance of between \$900 million and \$925 million, representing growth of approximately 80% year over year.

158. Numerous Witnesses make clear that Plug's severe manufacturing and supply chain problems were evident from the beginning of the Class Period on January 19, 2022, and that those problems were not resolved over the course of 2022, which deprived Plug's revenue projections of any reasonable basis and made them affirmatively false when made. These statements were also misleading by omission because Defendants did not disclose the manufacturing and supply chain problems that made them lack any reasonable basis. The undisclosed manufacturing and supply chain problems at the start of the Class Period that continued through 2022 include the following:

(a) Witness 10, who worked from February 2021 to December 2022 as an environmental, health, and safety manager at Plug's Rochester facility, said that construction of Plug's planned facility to manufacture GenDrive fuel cell units, its primary revenue source, in Slingerlands, New York was delayed because of delays in obtaining state environmental permits, which began as early as January 2021 or earlier and continued to the spring of 2022. *See also* ¶109, *supra*.

(b) Witness 9, who worked as a Team Lead for Plug at the Latham plant manufacturing hydrogen power units from September 2020 to March 2022, said that during her 18 months at the Latham plant, they were without parts on a daily basis and struggled daily with

missing parts, and at times the lines and plant were shut down due to missing parts. *See also* ¶¶97, 100, 105-106, *supra*.

(c) Witness 7, who worked as a Senior Buyer at Plug from July 2017 until July 2022 and was responsible for buying at least 50% of the parts for GenDrives, Plug’s main revenue source, said that the issues regarding Plug’s inability to source components from suppliers began at the start of the pandemic (*i.e.*, March 2020). The problems with sourcing only increased during the time she was at Plug, progressively got worse, and were increasingly problematic in 2022. Witness 7 also said that Defendant Mindnich was hired by Plug from Tesla as Executive Vice President of Global Sourcing in summer 2021, and Brandon Snyder was hired by Plug less than a year later as VP of Supply Chain and Logistics (Plug announced Snyder’s hiring in February 2022). Witness 7 said that “without question” these former Tesla executives made Plug’s supply chain situation worse because they created false expectations regarding product delivery based on unrealistic, impossible expectations of the times it would take to get sourcing for products to meet customer orders. *See also* ¶¶95-97, *supra*.

(d) Witness 16, who worked as a Reliability Engineer at Plug from June 2021 to February 2022 and was responsible for traveling to customer locations to address “issues” with Plug products, said that customers expressed dissatisfaction with Plug products during the entire time she worked for Plug and there were constant supply chain issues. *See also* ¶119, *supra*.

(e) Witness 15, who worked as a Hydrogen Fuel Cell Technician at Plug from August 2013 to March 2022 and was responsible for servicing equipment for Walmart, said that during the entire time she worked for Plug, the Company never had any replacement parts for any of their equipment and that at times all the fuel cells at Walmart shut down. Witness 15 said that 40 to 50 units would be shut down at Walmart. *See also* ¶120, *supra*.

(f) Witness 6, who worked as a shift supervisor at Plug's Latham, New York plant from December 2020 to September 2022, said that there were "huge" supply chain issues at the plant during the entire time she was at the Company and that the supply chain delays were constant during her tenure in 2022. *See also* ¶¶100, 104, *supra*.

(g) Witness 8, who was a Product Manager at Plug from March 2020 to November 2022, said that the electrolyzers and related equipment needed to produce hydrogen for energy modules were always scarce. *See also* ¶99, *supra*.

(h) Witness 17, who worked as a Principal Engineer at Plug's Henrietta, New York facility producing fuel cells and electrolyzers from July 2022 to January 2023, said that when she started at Plug, it had one supply source for fuel cell coated membranes and one supply source for electrolyzer coated membranes. These supply sources could not meet the Company's demand. Plug contracted with subcontractors to supply the coated parts, but the demand was too high for the subcontractors to handle Plug's needs. Plug also bought equipment to try to produce these parts in-house, but it was not operational the whole time she was at Plug. *See also* ¶113, *supra*.

159. Witnesses also make clear that these manufacturing failures severely impaired Plug's fuel cell business, which was the Company's main source of revenue, over the course of 2022, meaning that Defendants' reaffirmations of revenue statements were at a minimum affirmatively false, and misleading by omission, from May 9, 2022 onward.

(a) Witness 5, who worked as a Senior Process Engineer at Plug's Latham, New York plant from September 2021 to November 2022, said that by no later than late spring/early summer of 2022, Plug suffered from constant supply chain issues, including for electronic boards for GenDrive fuel cells, Plug's highest revenue earning product, and "push outs" of customer orders, including Amazon. In Q2 2022, Plug lowered its internal 2022 production goal of 15,000

to 16,000 GenDrive units to just over 10,000 units due primarily to supply chain issues and customer pushouts, which resulted in a substantial reduction in revenue. *See also* ¶¶124-126, *supra*.

(b) Witness 14, who worked as a Lead Senior Field Service Technician at Plug from November 2018 to September 2022, servicing fuel cells and liquid hydrogen storage facilities at customer sites, said that starting in March 2022 and continuing to the end of her tenure at Plug, customers delayed projects because of dissatisfaction with “fuel cells going down all the time,” including a Home Depot project and two Amazon projects that were pushed out into 2023, costing Plug revenue in 2022. Witness 14 also said that the supply chain was always a problem during her tenure, including service parts and materials for fuel cell stacks, which affected revenue because Plug was contractually obligated to have 99% equipment usage rate but it would often fall to 86%, obligating Plug to pay penalties to its customers. *See also* ¶¶116, 118, 121, *supra*.

160. Plug’s false and misleading hydrogen production statements discussed in ¶¶142-148 above also render its revenue statements discussed in ¶157 above affirmatively false, and misleading by omission, because Plug said it would not only use its internally, inexpensively produced hydrogen to replace expensive third-party hydrogen that it resold to customers at a loss, but also that it would sell much of its internal hydrogen production at higher prices on the spot market. Defendant Marsh said on a January 19, 2022 business update call that “we’ll be generating 70 tons a day ourselves, which will—which some of that will go to our present customers and some of that will go to external sources because it will be more profitable selling it on the spot market or through contracts we’re developing.” Defendant Shrestha elaborated on a March 1, 2022 earnings call that Plug’s “internal demand” was “between 40 to 50 tons per day So as

we get to 70 tons, as we get to bigger numbers, . . . we actually have an opportunity to sell it to additional new customers, additional new markets.”

161. Defendants’ false and misleading statements concerning Plug’s revenue projections were highly material. Revenue is important to every company, and Plug in particular needed growing revenue to execute its vertical integration strategy discussed above (*see* ¶¶4, 36-39). Analysts recognized the importance of Plug’s revenue projections to investors. For example:

(a) A January 19, 2022 Oppenheimer report, a January 20, 2022 Roth Capital report, and a January 19, 2002 RBC report highlighted Plug’s 2022 revenue guidance, and the RBC report noted that “management expressed optimism that this could increase.”

(b) In a March 1, 2022 report, an RBC analyst noted that Plug’s “2022 revenue guide of \$900-\$925mm was reaffirmed.”

(c) BMO Capital noted on March 2, 2022 that “[e]lectrolyzer production and sales also appears strong,” and that Plug reiterated its 2022 revenue guidance.

6. False and Misleading Statements Concerning Plug’s Revised Revenue Projections: October 14, 2022, November 8, 2022, and January 25, 2023

162. The sixth category of Defendants’ false and misleading-by-omission statements consists of revised 2022 revenue projections for Plug that were issued on October 14, 2022, November 8, 2022, and January 25, 2023. As alleged in detail in ¶¶166-197 below, these false and misleading statements were accompanied by simultaneous partial corrective disclosures that caused Plug’s stock price to decline significantly.

163. These false and misleading statements are as follows:

(a) On October 14, 2022, Plug announced in a press release before the market opened that the Company’s “prior full year 2022 revenue guidance of \$900-925M could be 5%-10% lower for the year.” This would represent revenue of approximately \$810-880 million, or

year-on-year revenue growth of approximately 60-75%, compared to Defendants' prior guidance of 80% year-on-year revenue growth. Defendants generally attributed this revised guidance to "some larger projects potentially being completed in 2023 instead of 2022 due to timing and broader supply chain issues." This 2022 revenue guidance decrease resulted in significant part from major, undisclosed problems with the Company's manufacturing operations, as detailed in ¶¶66-68, 72-82, 86, 89-90, and 134-136 above.

(b) On November 8, 2022, in Plug's Q3 2022 investor letter that was signed by Defendants Marsh and Middleton, published on Plug's website, and filed with the SEC, Plug stated that it "[r]eaffirms recently updated 2022 guidance" that was "5-10% below" Plug's original guidance, or \$810-880 million.

(c) On January 25, 2023, on a Plug business update call, Marsh reported that the Company now expected 2022 revenue growth of just "45% to 50%" year over year—*i.e.*, revenue of approximately \$730-750 million.

164. Plug's revised 2022 revenue guidance statements on October 14, 2022, November 8, 2022 and January 25, 2023 were affirmatively false, and misleading by omission, when made for all of the reasons that Plug's revenue projections earlier in 2022 were false and misleading (*see* ¶¶157-160), as Plug was facing severe, undisclosed manufacturing and supply chain challenges.

165. The revised revenue guidance statements on October 14, 2022, November 8, 2022, and January 25, 2023 were also materially false and misleading by omission when made for another reason. Witness 17 recalled that during a weekly Company-wide Zoom call between late August and late September 2022, Defendant Marsh announced that Plug was behind on either its sales or revenue targets and was projecting to end 2022 at around \$700 million based on its

performance to date and projections for the rest of the year, contrary to its published target of \$900-\$925 million. *See also* ¶128, *supra*. Because the \$700 million that Witness 17 recalled corresponds almost exactly to the \$701.4 million in 2022 revenue that Plug ultimately announced on March 1, 2023, it is reasonably inferable that the \$700 million figure that Witness 17 recalled was Plug’s internal revenue projection. Thus, at the same time that Plug was internally projecting \$700 million in 2022 revenues, Defendants were stating publicly that Plug projected materially higher 2022 revenues of \$810-880 million (on October 14 and November 8, 2022) and \$730-750 million (on January 25, 2023). Those public projections were thus affirmatively false, and misleading by omission, when made.

D. The Truth Begins to Emerge, but Defendants Continue Misleading the Market

166. The truth about Plug’s pervasive operational problems and their severe effect on the Company’s financial performance emerged over the course of about five and a half months, from October 14, 2022 through March 1, 2023. During that period, Plug revised its financial projections for 2022 downward, announced financial results (including revenue and margins) significantly below even those revised projections, disclosed that it would not meet the hydrogen production goals that were critical to the Company’s profitability, and revealed significant challenges in the Company’s manufacturing operations.

1. October 14, 2022 Partial Correction and False and Misleading Statement Concerning Revenue Projections

167. Information about the Company’s true condition began to surface on October 14, 2022, when Defendants announced in a press release before the market opened that the Company’s “prior full year 2022 revenue guidance of \$900-925M could be 5%-10% lower for the year.” This would represent revenue of approximately \$810-880 million, or year-on-year revenue

growth of approximately 60-75%, compared to Defendants' prior guidance of 80% year-on-year revenue growth.

168. Defendants generally attributed this revised guidance to "some larger projects potentially being completed in 2023 instead of 2022 due to timing and broader supply chain issues." This 2022 revenue guidance decrease resulted in significant part from major, undisclosed problems with the Company's manufacturing operations, as detailed above.

169. Plug's revised 2022 revenue guidance on October 14, 2022, was materially false and misleading when made, as detailed above (*see* ¶¶162-165), because Plug was facing severe, undisclosed manufacturing and supply chain challenges, and because Plug reduced its internal revenue guidance for 2022 to around \$700 million in late August to late September 2022, as alleged in detail in ¶128, *supra*.

170. Analysts incorporated the new information that Defendants provided on October 14, 2022 into their models, with a JP Morgan analyst noting in an October 14, 2022 report that Plug's announcement "reflected project delays that were worse than we expected, so we tweak our near-term estimates while our out-year outlook remains intact." Likewise, a Morgan Stanley analyst noted in an October 14, 2022 report that Plug's "downside to 2022 revenue is primarily driven by supply availability of certain components and a longer-than-expected ramp in its gigafactory."

171. On this news, the price of Plug common stock declined \$1.20 per share, or more than 6%, from a close of \$19.23 per share on October 13, 2022, to close of \$18.03 per share on October 14, 2022.

2. October 19, 2022 Partial Correction and False and Misleading Statement About Hydrogen Production

172. On October 19, 2022, more of the truth was revealed when Plug held an all-day symposium at its Rochester gigafactory that was streamed live via webcast. In advance of the symposium, analysts highlighted the importance of Plug’s manufacturing and hydrogen production ramp-ups. For example, a Jefferies analyst noted in an October 18, 2022 report that “[e]xecution will be crucial” for the Company to achieve improved margins, that electrolyzer production at the Rochester gigafactory “should help kick off the ambitious growth plan,” and that “scaling up green hydrogen production” was needed in order for Plug’s fuel delivery business to become profitable. Additionally, a BMO analyst noted in an October 16, 2022 report that notwithstanding the benefits Plug stood to gain in light of the IRA and future demand for green hydrogen, “we think it’s as important to understand where [hydrogen] production currently stands” and “the cadence of its production ramp-up. This begins with clarity on the current status of the company’s ramp to 70 TPD [tons per day] by year-end[.]”

173. Plug addressed that issue during the October 19, 2022 symposium, when Defendant Shrestha revealed that Plug would not reach its much-touted target of 70 tons per day of hydrogen production by year-end 2022, and instead was slashing its year-end goal to only “about 50” tons per day. As detailed above in ¶¶151-154, the 50 tons per day statement was affirmatively false, and misleading by omission, when made.

174. The next day, on October 20, 2022, analysts published reports about Plug’s symposium, and focused on the reduced hydrogen production goal. Morgan Stanley, for example, reduced its price target for Plug in its October 20, 2022 report, and “highlight[ed]” as the first of its “key takeaways” that Plug would have “[l]ower than expected green hydrogen production capacity exiting 2022[.]” Morgan Stanley added up the production figures for the liquid hydrogen

plants that, per the disclosures at the October 19, 2022 symposium, Plug anticipated being complete by the end of 2022, and determined that these would only total 45 tons per day, compared to the prior 70 tons per day figure. The Morgan Stanley analyst continued: “While we recognize that PLUG is building first-of-its kind liquid green hydrogen production facilities, which comes with its own learning curve, *we will closely monitor PLUG’s progress on these facilities given the importance it has on the company’s path to profitability.*” (Italics in original).

175. Likewise, in an October 20, 2022 report, a Truist Securities analyst noted that Plug’s “lower near-term outlook for green [hydrogen] supply (~50TPD by YE22 vs 70TPD previously) remains a core focus for investors in our view given the resultant margin improvement implications.” While acknowledging that Plug had reiterated its medium-term targets, the analyst observed that “several updates including a number of abandoned projects and permitting delays highlight the associated execution risk of PLUG’s massive undertaking.” Along the same lines, Wolfe Research titled an October 20, 2022 research report “Plug – Short term mattering more than long term,” and identified as “an area of concern” the “reduction of the 2022 green [hydrogen] production capacity from 70 TPD to 45 TPD which echoed [the October 14,] 2022 revenue guidance cut and set the tone of the meeting.”

176. Moreover, in an October 20, 2022 report, RBC discussed Plug’s year-end hydrogen capacity decline and also noted that the tour of the Rochester gigafactory that Plug offered during the symposium was “underwhelming” because “[o]perations are still ramping and more equipment is on order,” “[m]uch of the operations are being completed with manual labor” rather than through automation, and “trial and error” would be the likely result. This gave the market a window into some of Plug’s major, undisclosed challenges with ramping its manufacturing capabilities.

177. The price of Plug common stock plummeted in response to the disclosures at the symposium, declining \$2.78 per share, or nearly 15%, over October 19-20, 2022. Specifically, Plug's stock price declined from a close of \$19.11 on October 18, 2022, to a close of \$16.95 per share on October 19, 2022, and a close of \$16.33 per share on October 20, 2022.

3. November 8, 2022 Partial Correction and False and Misleading Statement

178. On November 8, 2022, the Company filed its 10-Q and reported its financial results for the third quarter of 2022 in an earnings release and conference call after the market closed. The Company also published on its website and filed with the SEC its Q3 2022 investor letter, signed by Defendants Marsh and Middleton. Plug reported third quarter 2022 revenue of only \$188.6 million, about 22% below consensus projections. In addition, Plug reported that it had sold only 3,524 GenDrive fuel cell units in the third quarter of 2022, down from 4,559 units in the third quarter of 2021.

179. The Company also reported on November 8, 2022 that its gross margins had decreased to negative 24% in the third quarter of 2022, a decline of 3% sequentially and 2% on a year-over-year basis. Plug explained that its "fuel margin remained under significant pressure due to increased hydrogen molecule cost associated with historically higher natural gas prices and continued supplier disruptions." Plug was vulnerable to higher natural gas prices due to the delays in its hydrogen production ramp-up.

180. Analysts reacted with surprise and questioned Plug's credibility. For example, an RBC analyst observed on Plug's November 8, 2022 earnings call: "with all due respect, I mean we're going on over a year about hearing about step changes [i.e., significant improvements] and the margins continue to drag. So I guess I really want to understand your level of confidence there."

181. As noted by a Piper Sandler analyst in a November 8, 2022 report, Plug’s disappointing results arose in significant part from “lower materials handling [*e.g.*, fuel cell-powered forklift] revenues than anticipated,” with GenDrive sales declining 23% year-on-year, and “supply-chain issues impacting the ramp of electrolyzer shipments.”

182. In response, the price of Plug common stock declined \$0.20 per share, or more than 1%, from a close of \$14.81 per share on November 8, 2022, to close at \$14.61 per share on November 9, 2022.

183. These partial corrective events did not dissuade Defendants from continuing to mislead the market. On November 8, 2022, the Company reaffirmed its recently updated 2022 revenue guidance of \$810-880 million, which was affirmatively false and misleading for the reasons stated above in ¶¶164-165.

184. Marsh also addressed Plug’s Georgia hydrogen plant by asserting on the November 8, 2022 call that Plug “will be scaling up and putting out hydrogen for production at scale” at that facility “within 3 months.” In addition, Plug asserted in its November 8, 2022 investor letter that it “continue[s] to make significant progress on the build out of the Georgia plant and Plug plans to commission 15TPD by YE22,” and that construction progress is “keeping us on track to commission the plant by YE22.” Plug also reiterated in the investor letter that it “remain[s] confident to exit 2022 with 45-50 TPD of hydrogen generation plants being commissioned.”

185. Defendants’ statements in ¶183 were materially false and misleading for the reasons cited in ¶155, *supra*.

186. Defendant Marsh also re-emphasized the importance of Plug’s hydrogen plant build-out on the November 8, 2022 earnings call, stating: “The equation for success really comes down to building out our green hydrogen platform, which will transform a negative margin

hydrogen business to a growing positive margin business just by turning on the plants. We've already demonstrated this in Tennessee. We can generate hydrogen at 1/3 of the cost we're paying from the industrial gas companies today."

187. Analysts responded by highlighting both Plug's disappointing results for the third quarter of 2022, and Plug's reassurances about the Company's projected performance moving forward. For example, a Jefferies analyst noted in a November 8, 2022 report that, while Plug's stock price declined "in the wake of its wide miss on 3Q revenues and gross margins," its revenue guidance "impl[ied] a big ramp into 4Q," and that Plug's earnings call demonstrated "confiden[ce]" that the Company's fourth quarter margins "should get a material boost[.]" Similarly, a BTIG analyst, in a November 8, 2022 report, highlighted Plug's assurance that it "expects a step up in margins sequentially" in the fourth quarter of 2022, and also noted that Plug's earlier decreased year-end projection for hydrogen production indicated that each new project in Plug's hydrogen production network would take "just under a year" to construct.

188. Furthermore, a Morgan Stanley analyst noted in a November 9, 2022 report that Plug's "3Q revenue and margins missed expectations" but that Plug "reiterated its full year revenue guidance, implying upside to consensus[.]" Morgan Stanley also noted that Plug's "miss on margins" was "primarily driven by the ongoing drag within its fuel delivery business" resulting from "elevated natural gas prices[.]" In this regard, the analyst linked Plug's hydrogen production to its ability to achieve improved margins and profitability, adding: "PLUG's green [hydrogen] strategy remains a key pillar in its path to profitability . . . Therefore, we believe PLUG's ability to commission its first few green [hydrogen] plants, without further delays, is a key catalyst for the stock."

189. Likewise, a JP Morgan analyst noted in a November 9, 2022 report that Plug’s third quarter revenues were “below expectations,” but that its fourth quarter guidance “implies [a] significant step-up . . . driven by higher equipment / electrolyzer volumes and new programs coming online in 4Q.” The JP Morgan analyst continued that Plug’s “[m]argins [were] likely to have troughed in 3Q” due to “higher hydrogen molecule costs” affecting Plug’s “[f]uel margins in particular,” but expected “consistent improvement from here” due to “more green hydrogen capacity . . . given the ability to produce hydrogen at [one-third] the cost of current external sourcing from third parties[.]”

190. Northland Capital Markets summarized analyst sentiment by noting in a November 9, 2022 report that, after Plug’s disappointing third quarter results, the fourth quarter of 2022 was “show me time,” and that Plug “management appeared to be very confident with its 4Q delivery pinning its hopes on a step up change in equipment sales supported by significant reduction in parts and service costs.” Similarly, Truist Securities noted in a November 9, 2022 report that Plug’s “profitability remains challenged (-24% vs -21% in 2Q) as fuel margins saw significant pressure,” and concluded that Plug’s “shares have limited upside potential” until the Company “can turn [hydrogen] plants on and deliver on profitability targets[.]”

4. January 25, 2023 Partial Correction and False and Misleading Statement

191. After the market closed on January 25, 2023, more of the truth was revealed when the Company provided a disappointing business update to analysts. Specifically, Defendants reported that the Company now expected 2022 revenue growth of just 45% to 50% year over year—*i.e.*, revenue of approximately \$730-750 million. This was far below both Plug’s original projection of approximately 80% growth year over year, and the low end of the Company’s revised year-over-year growth range of approximately 60% that Defendants had reaffirmed less than three

months prior. Yet it was still materially higher than the \$700 million that Plug had been projecting internally since late-August to late-September 2022 per Witness 17, and thus it was affirmatively false, and misleading by omission, for the reasons set out above in ¶128.

192. In explaining the sizable revenue miss, Defendant Marsh acknowledged on the January 25, 2023 business update call that Plug “ran into some hiccups” and that “introducing the whole suite of new products that Plug was introducing” had “added . . . complexity to supply chain.” Marsh went on to explain: “It’s really not a supply chain issue. It really had to do with the fact that the new products came out a little slower than we hoped. Manufacturing had a few more issues than we hoped, but we feel that those issues have been overcome. So if you really look at it, 2/3 of our revenue missed for the year actually had to do with the new product ramp and its implications, quite honestly, to supply chain and 1/3 actually had to do with our customers’ construction.”

193. The manufacturing “issues” that Marsh disclosed on the January 25, 2023 business update were pervasive and longstanding, as detailed above in ¶¶72-83. Whatever Defendants claimed to have “hoped,” they had no reasonable basis to expect that Plug was able to meet its stated revenue goals for 2022 in light of these serious, ongoing, and undisclosed problems.

194. Analysts focused on Plug’s decreased revenue projections just weeks after it had slashed guidance, with BMO citing “delays in launch of new products,” particularly electrolyzers, in a January 26, 2023 report. BMO also noted: “While an update on current [hydrogen] capacity wasn’t provided, it appears PLUG, which previously reduced its green hydrogen production capacity exit rate from 70 to 45 [tons per day] in October, may have missed the revised target,” and noted that “execution to get production flowing is a moving target.”

195. Piper Sandler likewise noted in a January 25, 2023 report that Plug's commissioned hydrogen production capacity at year-end 2022 was below the revised 45 tons per day figure, and consisted of only 10 tons per day commissioned at the Tennessee plant and 15 tons per day in the process of commissioning at the Georgia plant.

196. Additionally, Morgan Stanley noted in a January 26, 2023 report that "in our view, risks skew more negative in the near-term as the company builds out new products, expands manufacturing, and develops first-of-a-kind liquid green hydrogen networks. We believe a critical catalyst for the stock is the company's ability to successfully expand its green hydrogen network, which is imperative to see an improvement in the margin profile of its business." The Morgan Stanley analyst further stated: "The company continued to attribute supply chain and customer timing issues as a driver of the miss, but more notable was the fact that ~2/3 of the miss was caused by new product launch delays."

197. On this news, the price of Plug common stock declined \$0.97 per share, or approximately 6%, from a close of \$16.34 per share on January 25, 2023, to close at \$15.37 per share on January 26, 2023.

5. March 1, 2023 Final Correction

198. The final correction took place after the market closed on March 1, 2023, when Plug filed its 10-K and announced disappointing financial results for the fourth quarter of 2022 as well as the full year in an earnings release, investor letter, and conference call. These results included annual revenue of \$701.4 million, which represented 40% year-on-year growth compared to the reduced 45-50% figure provided on January 25, 2023. This \$701.4 million figure is nearly 25% below the \$900-925 million revenue projection for 2022 that Defendants had announced and reaffirmed multiple times. It is also very close to the \$700 million figure that Witness 17 recalled Marsh describing in an internal Company Zoom calls in the late-August to late-September 2022

timeframe. Rather than publicly revising its 2022 revenue guidance to approximately \$700 million in August or September 2022, Defendants instead chose to mislead the market by making only smaller revisions to Plug's revenue guidance on October 14, 2022, and January 25, 2023, and by reaffirming the October 14, 2022 revised revenue guidance on November 8, 2022, as described above.

199. In addition, Plug announced that its revenue for the fourth quarter of 2022 had missed by about 15% the reduced guidance the Company had provided only weeks earlier. Plug also announced that, far from reaching profitability, the Company's gross margins had declined even further from the third quarter to negative 36% in the fourth quarter of 2022.

200. On the Company's March 1, 2023 earnings call, Defendant Marsh acknowledged that Plug's "performance did not meet expectations" and revealed "obstacles [we] encountered while introducing new products" and "delays in constructing [its] hydrogen plant."⁹ Similarly, Marsh disclosed "challenges" in "[s]caling new product platforms and building first-of-a-kind hydrogen plants," and in building "complex products" like electrolyzers. As detailed above, Defendants had long been aware of these manufacturing and execution difficulties.

201. In addition, Defendant Middleton explained on the call that Plug's margins had declined in the fourth quarter of 2022 due to "bumps and bruises and speed bumps" in Plug's expansion into "new products and new manufacturing facilities," including the Rochester gigafactory, as well as Plug's inability to "get as far along as we'd hoped to" in getting access to parts in order to address supply chain issues.

⁹ Plug's delays in constructing hydrogen production plants made natural gas costs particularly significant, as Plug was required to purchase hydrogen created using natural gas rather than substituting its own green hydrogen.

202. Plug also announced in its March 1, 2023 10-K that *its “[r]evenue for GenDrive units decreased, as there were 8,274 GenDrive units recognized as revenue in 2022, as compared to 12,806 in 2021.”* As discussed above (see ¶¶125-126), in Q2 2022, Plug had lowered its internal 2022 production goal of 15,000 to 16,000 GenDrive units to just over 10,000 units due primarily to supply chain issues and customer pushouts.

203. Analysts responded by highlighting Plug’s revenue miss and declining gross margins, which resulted from Plug’s manufacturing challenges and failure to meet its hydrogen production targets. An analyst from Craig-Hallum Capital Group observed on Plug’s March 1, 2023 earnings call that gross margin is “obviously, a pretty critical objective,” and a Piper Sandler analyst addressed Plug’s fourth quarter 2022 gross margin figures on the same call. Further, in March 2, 2023 reports, an RBC analyst observed that Plug’s “challenged” margins left them “less confident in [Plug’s] outlook,” and a Morgan Stanley analyst noted that Plug’s “[w]eakness in product gross margins came as a surprise,” and that “PLUG’s inability to hit its twice-revised revenue guidance” indicated that *“the risks skew more negative in the near-term for PLUG. . . . We believe that the inability to execute on its guidance could serve as a headwind for the stock.”* (italics in original)

204. Analysts also focused on Plug’s disclosures about its manufacturing challenges. In March 1, 2023 reports, a Truist analyst noted that Plug’s “miss was mostly attributable to electrolyzer manufacturing challenges & delays,” and a Jefferies analyst noted that Plug’s “disappointing 4Q results” included revenue below the Company’s revised January 25, 2023 guidance, gross margins below consensus, and a “sizable inventory build likely driven by the electrolyzer roll-out issues that impacted the top line.”

205. Further, in a March 2, 2023 report, a BMO analyst attributed Plug’s electrolyzer revenue and margin shortfalls to “challenges in rolling out a new product.” The BMO analyst also indicated that “a portion of the pressure on revenue came from the company’s core material handling operations seeing less growth than previous years. FY 2022 Gendrive unit volumes of 8,274 was -36% below prior-year levels and -12% below 2020 levels.” Likewise, in a March 2, 2023 report, a Susquehanna analyst noted that Plug had “endured some missteps in 2022” and “need[ed] to show stronger execution,” and that Plug’s revenue “[s]hortfall is largely attributed to continued delays in ramping up its manufacturing capacity.” In another March 2, 2023 report, a Northland analyst cited Plug’s “obstacles in new product introduction” and “delays in hydrogen plant construction.” The Northland analyst concluded: “we believe it is about time the company starts delivering on its promises to regain investors’ confidence in its business strategy and management.”

206. On this news, the price of Plug common stock declined \$0.88 per share, or more than 6%, from a close of \$14.21 per share on March 1, 2023, to close at \$13.33 per share on March 2, 2023.

POST-CLASS PERIOD EVENTS

207. In a May 9, 2023 promotional video, Plug acknowledged that its Georgia liquid hydrogen plant “is being completed in eleven months,” or in other words, that the construction of that plant did not begin until eleven months earlier, in June 2022, at the earliest, meaning that Defendants’ January 19, 2022 and March 1, 2022 statements that this plant was already under construction were false and misleading.

208. In the same video, Plug also noted that the industry standard is for liquid hydrogen plants to be constructed in 48 months, which further indicates that Plug’s hydrogen production projections were unrealistic when made.

209. As late as its August 9, 2023 earnings call for Q2 2023, Plug acknowledged that it had not even begun producing liquid hydrogen at its Georgia plant. In that earnings call, Defendant Shrestha also stated that the Georgia “plant is still coming online in 12 months since we actually issued the [engineering, procurement, and construction] contract,” meaning that Plug must have issued that contract well after Defendants asserted that the Georgia liquid hydrogen plant was under construction.

210. Plug did not announce the start of liquid hydrogen production at its Georgia plant until January 23, 2024. When it made that announcement, Plug indicated that the plant had been finished in “18 months,” meaning Plug had not started construction until summer 2022.

PLAINTIFFS’ CLASS ACTION ALLEGATIONS

211. Plaintiffs bring this class action under Rule 23 of the Federal Rules of Civil Procedure on behalf of a class of all persons and entities who purchased or otherwise acquired Plug common stock during the Class Period (the “Class”). Excluded from the Class are Defendants, their agents, directors and officers of Plug, and their families and affiliates.

212. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court.

213. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

- (a) Whether Defendants violated the Exchange Act;
- (b) Whether Defendants omitted and/or misrepresented material facts;

(c) Whether Defendants' statements omitted material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(d) Whether Defendants knew or recklessly disregarded that their statements were false and/or misleading;

(e) Whether the price of Plug common stock was artificially inflated; and

(f) The extent of damage sustained by members of the Class and the appropriate measure of damages.

214. Plaintiffs' claims are typical of those of the Class because Plaintiffs and the Class purchased or otherwise acquired shares of Plug common stock during the Class Period and sustained damages from Defendants' wrongful conduct.

215. Plaintiffs will adequately protect the interests of the Class and have retained counsel who are experienced in securities class actions. Plaintiffs have no interests that conflict with those of the Class.

216. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Joinder of all Class members is impracticable.

**APPLICABILITY OF PRESUMPTION OF RELIANCE:
FRAUD-ON-THE- MARKET DOCTRINE**

217. Plaintiffs will rely upon the presumption of reliance established by the fraud-on-the- market doctrine in that, among other things:

(a) Defendants made public misrepresentations or failed to disclose material facts during the Class Period;

(b) The omissions and misrepresentations were material;

(c) The Company's common stock traded in an efficient market;

(d) The misrepresentations alleged would tend to induce a reasonable investor to misjudge the value of the Company's common stock; and

(e) Plaintiffs and the Class purchased Plug common stock between the time Defendants misrepresented or failed to disclose material facts and the time the true facts were disclosed, without knowledge of the misrepresented or omitted facts.

218. At all relevant times, the market for the Company's common stock was efficient because: (1) as a regulated issuer, the Company filed periodic public reports with the SEC; and (2) the Company regularly communicated with public investors using established market communication mechanisms, including through regular disseminations of press releases on the major news wire services and through other wide-ranging public disclosures, such as communications with the financial press, securities analysts, and other similar reporting services.

NO SAFE HARBOR

219. Defendants' "Safe Harbor" warnings accompanying any forward-looking statements issued during the Class Period were ineffective to shield those statements from liability. Defendants are liable for any false and/or misleading forward-looking statements pleaded because, at the time each statement was made, the speaker knew the statement was false and misleading and the statement was authorized and/or approved by an executive officer of the Company who knew that the statement was false. None of the historic or present-tense statements made by Defendants were assumptions underlying or relating to any plan, projection, or statement of future economic performance, as they were not stated to be such assumptions underlying or relating to any projection or statement of future economic performance when made, nor were any of the projections or forecasts made by Defendants expressly related to or stated to be dependent on those historic or present-tense statements when made.

220. Alternatively, to the extent that the statutory safe harbor is intended to apply to any forward-looking statements pled herein, or any portions thereof, Plug and the Individual Defendants are liable for those false and misleading statements because such statements were not accompanied by meaningful cautionary language identifying important facts that could cause actual results to differ materially from those in the statement or portion thereof. As alleged above in detail, given the then-existing facts contradicting Defendants' statements, any generalized risk disclosures made by Defendants were not sufficient to insulate Defendants from liability for their materially false and misleading statements. Furthermore, at the time each of those statements was made, the particular speaker knew that the statement was false and misleading, and/or the statement was authorized and/or approved by an executive officer of Plug who knew that those statements were false and misleading when made.

LOSS CAUSATION/ECONOMIC LOSS

221. Defendants' wrongful conduct directly and proximately caused the economic loss suffered by Plaintiffs and the Class. The prices of Company common stock significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses. As a result of their purchases of Plug common stock during the Class Period, Plaintiffs and the Class suffered economic loss, *i.e.*, damages, under the federal securities laws.

SCIENTER ALLEGATIONS

A. Defendants Knew or Had Access to Information Contradicting Their Public Statements

1. Defendants Knew or Had Access to Information Demonstrating that Plug's Hydrogen Production Projections Were Unattainable

222. As set forth fully in ¶¶44-128, information that several former Plug employees provided establishes that prior to and throughout the Class Period, Defendants knew, but failed to disclose, that Plug could not achieve its publicly-disclosed hydrogen production goals for 2022.

223. For example, prior to and throughout the Class Period, Witness 1 had monthly meetings with various members of management, including: Keith Schmid, COO; Brenor Brophy, VP of Project Development; Jerry Kahil, VP, Finance; and Chris Ryan, Sr. Manager, Project Controls; and other members of Plug's Project Management team who oversaw the development of the Company's hydrogen generation facilities. During these monthly meetings, Witness 1 told Plug's senior management that the Company's projections for hydrogen production were unattainable and "hilariously off." Moreover, Witness 1 expressly told Marsh and other senior executives that the hydrogen production facilities Plug was constructing were "three years out in service" (in other words, would not be in service for three years).

224. In addition, Defendant Marsh was aware in late April or early May 2021 that Plug's hydrogen production timeline was unrealistic and that the projects faced budgetary challenges. Specifically, Witness 2 explained that in late April or early May 2021, she met Marsh during a trip to one of Plug's New York facilities and was asked by Marsh to give her assessment of the hydrogen production projects. Witness 2 stated that she told Marsh that there were budgetary concerns and that the schedules were not realistic. Witness 2 stated that after she gave her assessment of the projects, Marsh responded by saying "well, you've got a lot of work to do."

Witness 2 also explained that the Project Group spoke to Shrestha about the fact that Plug's hydrogen production targets were unattainable. Witness 2 further recounted that Plug's senior management was aware by June or July 2022 that Plug's targets were impossible to meet.

225. Defendants and other members of senior management also received pushback from employees regarding the Company's unreasonable projections and its unwillingness to revise those projections. When senior management brushed aside these concerns and reaffirmed the Company's unrealistic projections, several witnesses resigned from the Company over their objections. For example, Witness 2 recalled that there were frequent disagreements between Witness 2 and other project managers, on the one hand, and Plug's senior management, on the other hand. Witness 2 explained that senior managers, including Defendant Shrestha, who reported directly to Defendant Marsh, did not listen to project managers when they expressed concerns about the hydrogen plants' cost overruns and delays. As discussed above, Witness 2 explained that one member of the Project Management team strongly disagreed with the Company's projection of 70 tons per day of hydrogen by the end of 2022, and told Witness 2 that she "was not going to jail for anybody." That employee then left Plug because of her disagreements with the Company's public statements. Witness 2 explained that this member of the Project Management team gave senior management the best realistic schedule regarding hydrogen production targets but that, despite the fact that senior management was presented with that realistic timeline, the next day Marsh and Shrestha went out and said that Plug would meet its hydrogen production targets.

226. Witness 3 similarly recalled a member of the Project Management team informing Witness 3 that she was leaving the Company because executives were "bullying" her to sign off on completion dates that she knew were unrealistic. Witness 1 likewise stated that she left

the Company in mid-2022 because she “refused to let this all fall on [her].” Witness 2 also left the Company in late 2022 because she felt that senior management was putting her and other project managers in an “impossible situation” in which she and others were telling senior management with evidence that Plug’s targets were not attainable and senior management did not accept it. Witness 2 stated that she had many conversations with Plug’s senior management and that she neither gave, nor knew of, any information which could have supported senior management’s statements that the Company would produce 70 tons per day of hydrogen by the end of 2022.

227. Witness 2 further explained that Plug’s senior management did not listen to Project Managers who were telling senior management that Plug’s hydrogen production targets were not attainable. Witness 2 further explained that “everyone knew where we were” with respect to project progress, including Defendant Shrestha and Sharkey. Witness 2 also stated that the further behind schedule the hydrogen production facilities became, the less senior management wanted to hear from them.

228. In addition, Defendants knew or recklessly disregarded that Plug’s hydrogen production projections were unrealistic based on the Company’s processes for tracking the development of its hydrogen production plants. For example, Witness 3 created and maintained the MDL, or Master Deficiency List, for the Pathfinder project at the request of her manager, the Director of Execution. The MDL was accessible by everyone at the Pathfinder site via a Google Drive, and multiple engineers, in addition to members of the Project Management team, had the ability to edit the MDL. Witness 3 stated that the MDL was constantly updated and used as a general tracker to meet deadlines, as well as to track the estimated time of completion of specific items at the Pathfinder project.

229. Witness 3 explained that the MDL was discussed during weekly meetings with Plug personnel. Witness 3 stated that the MDL clearly indicated that: (i) the May 2022 completion date was not going to be met; (ii) the deadlines to begin operating the plant were “unrealistic”; and (iii) “everyone knew [we] were in danger” of missing the May 2022 plant completion date. Based in part on the MDL, Witness 3 stated that there was a “strong awareness” by all employees at the Pathfinder site that the plant’s projected May 2022 completion date was unachievable. According to Witness 2, Alan Sharkey, Plug’s VP of Project Development, also had access to the MDL when Sharkey started at Plug in mid-September 2022, and would have known right away that the Kingsland, Georgia plant was behind schedule.

230. Senior management was also informed that Plug’s New York hydrogen production plant was behind schedule and that its hydrogen production targets were unattainable. Witness 2 stated that senior management knew in February 2022 that the first phase of the New York plant, and its hydrogen production target of 45 tons per day, were unattainable because the project was behind schedule. Witness 2 further explained that by March 1, 2022, senior management knew the New York plant was over budget and that there would be no power to the site until November 2024.

231. Defendant Marsh also touted his firsthand knowledge of Plug’s hydrogen production facilities. For example, on Plug’s January 25, 2023 business update call, Marsh discussed how earlier that week, he had the “wonderful opportunity [to] be at our facility in Georgia” and “walk the plant” to observe the “construction going on” and “what we’ve accomplished to date[.]” Likewise, at Plug’s October 19, 2022 symposium, Marsh noted that the prior week, he had seen being built in Houston, Texas a cryogenic trailer designed to transport liquid hydrogen, and that this trailer had gone into service at Plug’s Tennessee hydrogen plant.

2. Defendants Knew or Had Access to Information Demonstrating that Widespread Supply Shortages and Production Delays Rendered Plug's Production Goals Unattainable

232. Information that multiple former Plug employees provided establishes that, contrary to the Company's unrealistic projections and statements concerning the supposed progress of its manufacturing ramp-up, Defendants and other members of Plug's management team were aware of supply chain issues and production delays that negatively impacted the Company's production and rendered the Company's production goals unattainable.

233. For example, Witness 5 recalled that, prior to and throughout the Class Period, Mindnich led daily meetings of the MOG, or Manufacturing Operations Group, in which Plug's internal supply chain and other issues negatively impacting production were discussed, including missing parts and delays to customer orders. Per Witness 5, Brandon Snyder, Plug's Head of Supply Chain, Warehousing and Logistics, also attended MOG meetings. Concerning the lack of warehousing space at the Latham plant, Witness 5 explained that Company management directed Plug employees to place unfinished parts on pallets so the manufacturing team could use the carts to build GenDrive units.

234. Additionally, Witness 6 attended daily supply chain meetings with some members of senior management, including Mindnich and Shawn Gaines, Senior Manager of Manufacturing, during which supply chain delays were discussed. Witness 6 added that Marsh would sometimes attend these meetings. Witness 7 similarly described daily supply chain meetings in which participants would discuss missing parts. Witness 9 confirmed that there were daily meetings with plant management to discuss missing parts at the Latham facility.

235. Senior management, including Defendant Mindnich, also received and reviewed daily supply chain reports and spreadsheets which cataloged Plug's internal issues. For example,

Witness 6 stated that Mindnich and Gaines were given daily reports concerning the Company's supply delays. Witness 6 also explained that the supply chain managers kept an Excel spreadsheet that was updated daily and tracked the parts ordered and the respective delays. Witness 6 further stated that Mindnich and Gaines were actively involved in reviewing the supply chain spreadsheet and would ask questions during Zoom calls about where missing parts were and when they were expected to arrive. Similarly, Witness 7 noted that her supervisor tracked supply shortages and that Plug maintained a shared file that tracked delays and component shortages. Witness 7 further stated that knowledge regarding the Company's supply chain issues extended from her manager through the Commodity Managers, to the Global Sourcing Managers and eventually up to Defendants Marsh and Middleton.

236. Defendants were aware that supply chain issues undermined the Company's ability to bring new manufacturing facilities online. Witness 17 explained that management was pushing to have Plug's Rochester gigafactory plant ready as soon as possible but that the Company could not secure production parts necessary to build the factory due to COVID-19 and supply chain issues. Witness 17 further stated that her manager was aware of the unreasonable expectations concerning the gigafactory's targeted opening and voiced his concerns about them. Similarly, Witness 10 explained that metal, drywall, and building equipment necessary to bring the Rochester facility on line were all hampered by supply chain delays. Witness 10 stated that the Plant General Manager at the Rochester facility, Dan O'Connell, timely reported delays up the chain to his manager, Defendant Mindnich. Witness 10 further stated that Defendant Marsh was ultimately aware of the issues at the Rochester plant.

237. Defendant Marsh also publicly discussed his and Defendant Mindnich's personal involvement in Plug's supply chain management. On Plug's January 19, 2022 business

update call, Marsh said: “every day I start out working supply chain. And one of the reasons I have Dave [Mindnich] and supply chain people who worked at Tesla is they were really good at working through getting components during the crisis. And we work it every day. We’re on the phone every day. We’re pushing it every day.” Similarly, Marsh stated on Plug’s August 9, 2022 earnings call that with respect to supply chain issues, “the first item I get in the morning is what’s going on and do they need me to make a call.”

3. Defendants Knew or Had Access to Negative Information Regarding the Reliability of Plug’s Material Handling Products

238. Witness 16 recalled that issues relating to the reliability of Plug’s material handling-related products were routinely communicated up the chain at the Company. Witness 16 described bi-weekly meetings with Power Generation Division management where she and other engineers raised issues with Plug’s products. Witness 16 stated that Plug management was keenly aware of the reliability problems and defects with its products. Witness 16 also explained that she attended “town hall” meetings with members of Plug’s senior management where the unavailability of materials for production and quality control issues that resulted in poor reliability were discussed.

4. Defendants Knew or Had Access to Information Showing that Plug’s Financial Forecasts Were Unattainable

239. Statements from several former Plug employees establish that Defendants knew, but failed to disclose, that Plug was unable to meet its financial forecasts due to reduced manufacturing output and customer pushouts.

240. For example, Defendant Mindnich was aware that, in the second quarter of 2022, Plug slashed its internal production forecasts for the GenDrive, the Company’s primary source of revenue. Witness 5 stated that in early 2022, Plug’s Production Plan had an expected goal of

15,000 to 16,000 GenDrive units for that year. However, Witness 5 explained that the Production Plan was subsequently lowered “sometime in Q2” of 2022 to just over 10,000 units, thereby reflecting a substantial reduction in projected revenue. Witness 5 stated that Mindnich, another senior manager who reported to Marsh, and members of Plug’s Finance team all received the Production Plan via email. Moreover, Mindnich called Witness 5 to discuss Witness 5’s correspondence with the Finance team regarding the Production Plan.

241. Defendant Marsh was also aware that Plug would miss its 2022 financial forecasts. Witness 17 recalled that Marsh held weekly Company-wide Zoom calls and that, during such a call that occurred between late-August and late-September 2022, Marsh announced that the Company was behind on either its sales or revenue targets. To the best of Witness 17’s recollection, Plug’s target figure for 2022 was around \$900 million and, at the time of the meeting led by Marsh, Plug was projecting to end 2022 at around \$700 million based on its performance to date and projections for the rest of the year. Based on Marsh’s presentation, Witness 17 recalled estimating that Plug was projecting to be roughly 25% below its original plan in terms of either sales or revenues for 2022.

242. In addition, Defendant Middleton touted his personal knowledge of the factors affecting Plug’s margins when indicating that those margins would improve in 2022. On Plug’s August 9, 2022 earnings call, Middleton justified his statement that Plug’s margins would improve in the fourth quarter of 2022 by noting that he had been “working with the teams. It’s really impressive some of the things we’ve been doing, including some of the enhancements of the field.”

B. Defendants’ False and Misleading Statements Concerned Plug’s Core Operations

243. Plug has described itself as “the company behind the end-to-end green hydrogen ecosystem that offers products and solutions ranging from fuel cells to electrolyzers to the

production, storage and handling, transportation and dispensing of liquid green hydrogen.” Accordingly, the production of fuel cells, electrolyzers, and liquid green hydrogen constitute Plug’s core operations. As described above, Plug’s false and misleading statements concern the production of these items and the revenue Plug generated thereby, and thus concern Plug’s core operations, resulting in an inference of Defendants’ scienter.

CLAIMS AGAINST DEFENDANTS

COUNT I

Violations of Section 10(b) of the Exchange Act and SEC Rule 10b-5 Promulgated Thereunder Against Defendants Plug, Marsh, Middleton, and Shrestha

244. Plaintiffs incorporate by reference the allegations in the preceding paragraphs.

245. During the Class Period, Defendants Plug, Marsh, Middleton, and Shrestha carried out a plan, scheme, and course of conduct that was intended to and, throughout the Class Period, did: (1) deceive the investing public, including Plaintiffs and the Class; and (2) cause Plaintiffs and the Class to purchase Company common stock at artificially inflated prices. In furtherance of this unlawful scheme, plan, and course of conduct, Defendants Plug, Marsh, Middleton, and Shrestha, and each of them, took the actions set forth herein.

246. Defendants Plug, Marsh, Middleton, and Shrestha: (1) employed devices, schemes, and artifices to defraud; (2) made untrue statements of material fact and/or omitted material facts necessary to make the statements not misleading; and (3) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company’s common stock in an effort to maintain artificially high market prices thereof in violation of Section 10(b) of the Exchange Act and SEC Rule 10b-5.

247. As a direct and proximate result of Defendants' wrongful conduct, Plaintiffs and the Class suffered damages in connection with their respective purchases of the Company's common stock during the Class Period.

COUNT II

Violations of Section 20(a) of the Exchange Act Against the Individual Defendants

248. Plaintiffs incorporate by reference the allegations in the preceding paragraphs.

249. The Individual Defendants acted as controlling persons of Plug within the meaning of Section 20(a) of the Exchange Act. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's day-to-day operations, and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control—and did influence and control, directly or indirectly—the decision-making of the Company, including the content and dissemination of the various false and/or misleading statements. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports and other statements alleged by Plaintiffs to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

250. In particular, each of the Individual Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, are presumed to have had the power to control or influence the particular practices giving rise to the securities violations as alleged herein, and exercised the same.

251. As described above, the Company and the Individual Defendants each violated Section 10(b) of the Exchange Act and SEC Rule 10b-5 by their acts and omissions as alleged in

this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable under Section 20(a) of the Exchange Act. As a direct and proximate result of this wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of Company common stock during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for relief and judgment, as follows:

- (a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;
- (b) Awarding compensatory damages and equitable relief in favor of Plaintiffs and other members of the Class against all Defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- (c) Awarding Plaintiffs and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and
- (d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiffs hereby demand a trial by jury.

Dated: February 25, 2025

FRIEDLANDER & GORRIS, P.A

/s/ Jeffrey M. Gorris

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